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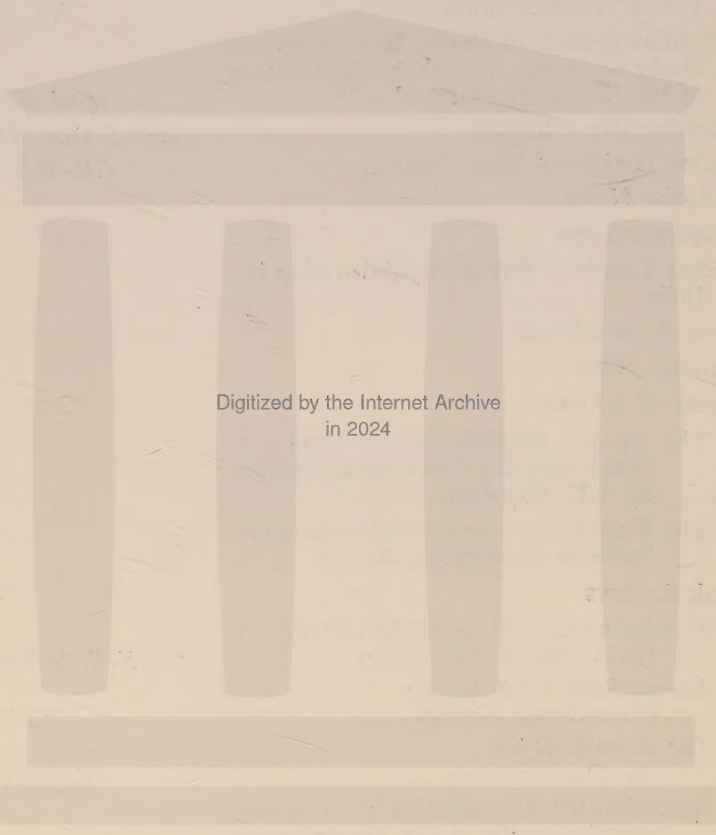
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## RECENT TRENDS IN PUBLIC ADMINISTRATION IN FRANCE\*

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*Andre Bertrand*

**B**EFORE dealing with the exact subject of today's lecture it seems necessary to me to try to place before you some definitions in order to enable you to know precisely what I am going to talk about. "Public Administration" ("L'Administration publique") is, in my view, *firstly*, an organism having activities defined directly or indirectly by law, with a view to accomplishing certain tasks of general interest; and *secondly*, the activities of such an organism, whether within itself or in contact with citizens in the outside world, directed towards the fulfilment of public purposes. One who wants to study public administration in both these aspects will have to look at its structure, procedures, organisation and methods, the means which it has at its disposal—means of action in terms of things, movable or immovable, and of men—and the rules which govern these means of action. If this definition is to be accepted, Public Administration can then fairly easily be distinguished from another one—that of administration in general or private administration in particular—in two essential respects : *first*, a private administration, a private organism, is not created by law; and *secondly*, a private organism is not by nature dedicated to the general interest of the community. But apart from these two differences, which, of course, are important ones, the definitions of public administration and private administration have much in common. This, I believe, explains the first kind of approach to the science of public administration which seems to me to have been, to a fairly great extent, the American one. This approach lays more emphasis on the similarities than on the differences between public administration and administration in general. The American experts in the field have, broadly speaking, thus risen from management of private

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\*Text of a lecture delivered at the I.I.P.A. on November 30, 1956. It could not be published earlier due to unavoidable circumstances.



enterprise to public administration. If, on the contrary, we concentrate more on the differences than on the similarities between the two kinds of administration, we come to another set of approaches to the same problem. The first one, that is to say, the first of the second category, is what I would call the English one. It takes the view that the administrative bodies set up by law or administrative regulations, and placed at the disposal of the Government and are thus an instrument of the Executive. The English experts in the field arrive at the study of Public Administration proper by starting from that of Political Science, Political Philosophy and History and Constitutional Law.

The second approach of the second category—which I would like to call the third approach and which is the French one—takes into consideration the fact that not only is public administration so created by law, but also furthermore, that, in France as well as in many other countries, particularly in most of the continental countries of Europe, it is governed by an autonomous body of legal rules called “administrative law” and controlled by a set of administrative courts the highest of which in France is the Conseil d’etat. This system is clearly the opposite of the one governed by the principles of “unity of jurisdiction” which is to be found in the “Common Law”-countries as well as, if I am not mistaken, in India today. The French approach has thus consisted in shifting from Administrative Law to Public Administration proper. During my talk tonight I will be dealing with the new trends in Public Administration in France in the context of this third approach only. In order to study these new trends it is important to examine, what seems to me, the two main series of problems. The first, which is purely of a scientific nature, relates to the study of the development of the science of Public Administration in France in the context of the legal approach which I have just now defined. The second series of problems is mainly institutional, that is to say, “through what channels, what organisms is the science of Public Administration developing today in France”? And these two series will constitute the two parts into which this lecture will be divided.

## II

In order to examine the development of the science of Public Administration in France in a scientific way, we have to go back to the French legal or juridical approach. Historically, though, this approach was not the first one—a fact which is often forgotten, even in France, today. The recognition of the importance of administration of the various departments in the Government, the increase in the number of civil servants and other similar developments date back to the French Revolution, still more to the Napoleonic Empire and the

Restoration period that followed after 1815. It may be of some interest to point out that the first books which at that time were published on administration did not deal purely with Administrative Law. The first one of these was by Bonnin in 1811, and was entitled: "Principles of Public Administration". Between 1840-50, two other great authors, who were members of the Conseil d'état, *Vivien* and *Aucoc*, wrote other books which predominantly dealt with non-juridical aspects of administration. But afterwards, the courts, created by Napoleon in the beginning of the 19th century, became courts of justice in the full sense of the term—tribunals with a system of what is called delegated justice, and no longer 'kept justice', *i.e.*, they directly passed judgments, on the cases referred to them, without presenting advice to the executive. They had a final say in the matter as courts of justice normally have. This happened in 1872. As a result of this development the observers of administrative phenomena came to see them only through the judicial side, *i.e.*, through the judgments of the highest administrative court, the Conseil d'état. It therefore became normal and logical that the writers, who wrote about Administration and who were professors of law, studied specifically Administrative Law and left aside all other aspects of the administration.

From 1880 up to the Second World War, the books written by great authors like Laferrière, Duguit, Hauriou, Jeze, Barthelemy, and, in modern times, Waline, some of which were real master-pieces in their own field, exercised a very deep influence not only in Europe but also in other countries adhering to the French system of "duality of jurisdictions", such as in Egypt, Lebanon and some countries of Latin America. These master-pieces were books of Administrative Law in the strictest sense of the term, and Public Administration was left out entirely. But after the Second World War the picture began to change, probably under the influence of various factors. During the last years of the war there existed more intimate contacts than even before between France and Anglo-Saxon countries they resulted in a sort of greater influence of Anglo-Saxon ideas even in scientific fields, such as the one we are dealing with tonight. Apart from this factor which was external, others, purely internal ones, still more important, were at work. After the terrible war—ordeals of five years which France had gone through, the Provisional Government of the Republic, headed at that time by Gen. Charles de Gaulle, strongly felt that in order to build a new France it was essential to have, as a sound basis for it, a civil service of the highest possible quality. In studying the problems of getting such a civil service, it is quite obvious that one had to look at it not only from a purely legal point of view, but in a broader context.



The period which followed the liberation of France was generally characterised by frequent discussions, both at the political and the administrative levels, about the utility of various administrative adjustments and reforms. For instance, inside the government itself, it was at that time that the General Secretariat of the Government was created, which I would roughly put as the equivalent of the British Cabinet Office; and it was at that time that the problems of regional adaptation were thoroughly discussed. Thus, the last 10 years or so mark the beginning of a revival of the study of Public Administration in France. And important among the main fields in which this revival is noticeable is that of personnel. The problems of personnel have been perhaps more thoroughly studied than any other problems in the recent past. A most important work on the subject is "The Civil Service" by Mr. Gregoire; it is a real treatise on public administration, and though it contains some legal developments, other aspects of sociological and psychological character clearly predominate.

The revival is also noticeable in regard to study of administrative structures and techniques. Various articles dealing with technical problems of the civil service have frequently appeared in the "Administrative Review" created after 1945. It is managed by active civil servants and not by university people—a fact which, I think, deserves special notice, because traditionally in France all other professional journals like "The Review of Public Law and Political Science" are generally directed by university professors of law. Similarly, during the last few years problems of administrative structure, in their broad context have been the subject of many articles published in the "French Review of Political Science", also created after the Second World War, in the Administrative Review and in some other books. I would also like to mention here a book written by Michel Debre: "The Death of the Republican State" which, though dealing mainly with Political Science, contains elements of a pure public administration character. This book is in a way a French example of the English approach, as public administration here is linked with political science developments. I may be allowed to refer to a smaller book I wrote myself a few years ago for the International Institute of Administrative Sciences (Brussels) on "Techniques of Governmental Work in the Modern State", establishing a comparison of these techniques in Great Britain, the United States and France. It is a study, both at the level of constitutional law and of public administration, of the various ways in which governmental work can be co-ordinated, essentially through agencies such as the Cabinet Office in England, the General Secretariat of the Government in France, and the President's Executive Office (especially the Bureau of the Budget) in the United States.



The third very important category of studies in public administration which has developed in France recently relates to problems of cost and efficiency of the public services. These studies originated with the setting up in 1947 of an inter-departmental committee attached to the Prime Minister's Office, called the Committee on the Study of Cost and Efficiency of Public Services. The Committee is still in existence and its reports have already led to some important administrative reforms. The Secretary-General of this Committee was Mr. G. Ardant, an Inspector of Finances, who, since, has been appointed General Commissar of Productivity in the French Public Service. And this distinguished civil servant has since written a very important book on public administration proper, called "The Techniques of the States". This work is based on the experience of Mr. G. Ardant as the Secretary-General of the Committee, I just mentioned. It deals with the various problems of efficiency of the public services in France and the methods by which this efficiency can be improved. It would be useful to note that these studies were conducted on a broad basis and were not so narrowly concentrated on what is known in the English speaking world as "O & M".

While these have been the main lines of the development of the study of public administration in France, "Budgeting" must be mentioned also. It used to be more studied in connection with law (as financial legislation) than in conjunction with Political Science and Economics (as a financial science.) But now, through the records of the activities of the French Ministry of Finance ("Les Inventaires Financiers") and through a periodical review which is published by it since the last World War, called "Statistics and Financial Studies", Budgeting, as a part of the science of public administration, is developing rapidly. One often finds in this review, studies on the structure of the budget services in France and abroad, the impact of budget rules and procedures on administrative management and the structure of economic public services—studies which definitely are of a public administration character. I would like also to add that important aspects of Public Administration, such as concentration, deconcentration, centralisation and decentralisation, contracts dealing with public works, etc., are still dealt with in France in university lectures and in books of Administrative Law, because these are essentially legal in their basic elements. But there has been a change in emphasis. Before the last World War, these were studied in a purely juridical way, but now, due to the various influences I have already mentioned, the non-legal aspects of these problems are much more insisted upon by the professors of law, and specially of Administrative Law, than ever before. This does not mean that they are mainly treated as elements of Public

Administration; but it does mean that indirectly some aspects of public administration are mentioned in the study, which was not the case before, so that in fact now many of the various subjects (I don't say all), which are covered, say, in a general American book on Public Administration, can be found as separate elements in France. What is still lacking is a comprehensive, general treatise on public administration, taken as an autonomous discipline. But I think that this lacuna will be fairly soon bridged, let us say, in the next 5 or 10 years, as a result of the evolutionary process I have just tried to describe. But that will be accomplished in a French way, that is to say, with more of an inter-connection between the legal and the non-legal aspects of administrative problems.

### III

Having outlined before you the new scientific aspects of the study of Public Administration in France, I would like to turn now to the second series of problems I have mentioned, *i.e.*, the new institutions which are interested in Public Administration in France today. Since 1945 these problems have been studied at three different levels: first, at the university level; secondly, at the level of the entrance to the civil service, and the civil service in this context means the administrative class; and the last and the third level is of the civil service itself for raising of its standards of performance and efficiency. Hence, the creation at these three different levels—first of all, of the Institutes of Political Science; secondly, of the National School of Administration; and lastly, of the National Centre of High Administrative Studies. These are the three institutions or types of institutions which deserve special mention, and I shall dwell on them at some length.

Starting with the university level, we find that the traditional structure of the French University was based, as you probably know, on the existence (1) of the Faculties of Law where the study of private law predominated, but where Economics also, and I would like to stress this point, were taught, as no autonomous faculties of Economics existed in France; and (2) of the Faculties of Arts, covering the study of such matters as Sociology, essentially in conjunction with Philosophy, General History, including, of course, Political, Economic and Social History, and Geography including Human and Economic Geography. Civil servants were mainly recruited from graduates from the Faculties of Law, because that was the old French tradition. According to that tradition, which may be of special interest to you because it is very different from the English one, a French civil servant was and is still supposed to be, to a fairly great extent, a lawyer. This fact helps to

explain that in 1871, the idea of a great Frenchman, E. Boutmy, was to create a new Superior School, in order to promote a more integrated teaching of social sciences in a broader sense thus bridging the existing gap between the Faculties of Law and Faculties of Arts. That school was the "Ecole Libre des Sciences Politiques", which was so set up some twenty years before its English counterpart—the London School of Economics. And, in fact, this School of Political Science played a decisive role in the preparation of entrants to the most brilliant posts of the Civil Service (the *Grands Corps*, the Ministry of Foreign Affairs, and the Finance Inspectorate) between its creation and the Second World War.

Then, in 1945, it was felt that the State ought to take over from private enterprise the School which was to be transformed into an university institute of political studies (the Institut d'Etudes Politiques of Paris) and at the same time to promote a policy of decentralisation by creating similar institutes—Institut d'Etudes Politiques—in the provinces. Six provincial institutes, of the same kind as the one in Paris, have been established since October 1945. Today there are such institutes in Algiers, Bordeaux, Grenoble, Lyons, Toulouse, and Strasbourg. You would note that there is no separate or autonomous institute of public administration in France. But many elements of the study of public administration are to be found in the programmes and curricula of these institutes of political studies. And the main elements so to be found, in the first place, cover general lectures dealing with the French and also very often with foreign administrative institutions, structures, and mechanism. I would like to mention the fact that in Paris, and even in many cases in the provinces, lectures are more often delivered by senior civil servants, especially by members of the *Grands Corps*, than by university professors. Secondly, the teaching of public administration is mainly the result of what we call '*travaux de conferences*', which, up to a point only, might be called in English 'seminar work'. This concrete and practical method of studying problems of various types is used by small groups of students, who are guided by "Maitres de Conferences" in the majority of cases active civil servants and who thus get used to examining the varied and complex aspects of an administrative situation and not only the legal rules which govern it.

At the research level, it must be added that a new centre was created in 1955, under the name of "National Foundation of Political Studies" and this Centre inherited the library of the School (*Ecole Libre*) erected in 1871. At this Foundation, a section specialised on research in public administration is going to be set up in 1957.



The administrative structure of these university Institutes is rather simple. Once again, you will find here a link between law and public administration in France. The Director is always, with the exceptions of Paris and Strasbourg, a professor of public law in the Faculty of Law of the town concerned, and there is also always an executive council to manage the affairs of each institute. It is headed by the Vice-Chancellor of the University. Its members include the Deans of both the Faculties of Law and Arts, and the Director of the National School of Administration.

If we now turn to the second level I have announced, that of the entrance to the civil service, we find a National School of Administration ("Ecole Nationale d'Administration") which was created in October 1945. I would say that this School is a blending of the English idea of a unified civil service and the French idea, which has been very dear to the French hearts for more than a century, of a professional school—a "great school of application", according to the French phrase, such as the ones which were created by the Revolution, the most glorious of which was the Ecole Polytechniques, founded by the "Convention" in 1798. The creation of this School meant that the various departmental and "Grands Corps" entrance examinations for entry to the civil services were abolished, and, instead of them, was instituted a competitive examination for entry to the National School. To be quite precise, there was not one examination set up, but two parallel ones : one for graduates from universities and diploma holders of various schools, and the other for civil servants of lower grades already employed in any public service for at least five years. The establishment of the new School has brought about a thoroughly unified process of recruiting the future high civil servants of the State. This has been achieved in the same way as it was realised earlier in Great Britain through the setting up of the civil service commission with its system of competitive examinations. But there is one distinct difference. In France, we felt we needed, as you did in India, a professional training school, in order to train probationers to the civil service, to make them learn the basic elements of their future jobs before they embarked upon their active service careers. And as it is a training school, it is outside the purview of any university. And, as it is naturally an inter-departmental one, it is directly attached to the Prime Minister's Office. Its director must be a high civil servant. In fact, since the School was created, it has been directed by a highly talented, former administrator Mr. Henry Bourdeau de Fontenay, who was the first "Republic-Commissar" appointed (for Normandy) in liberated France by the Provisional Government of the Republic in September 1944. There is also an Executive Board which is

ex-officio headed by the Vice-President of the "Conseil d'etat". It consists of 5 high civil servants, 5 university professors and 5 other distinguished people from other fields of activities, such as employers, trade unionists, etc. The Director of the Civil Service Office (*Direction de la Fonction Publique*) is also an ex-officio member.

Obviously, I don't intend to explain to you in detail what this National School of Administration is. That would require another full lecture. My purpose is only to let you know briefly what part Public Administration is playing in the way that School works. And that part can be summed up, I think, in this way. During the first year, the civil service probationers are sent to the provinces to undertake field work of a thoroughly practical nature under the guidance of the "prefet" or civil administrator. They see Public administration in action through this field work. They devote themselves to the practical activities in two ways in particular. First, they have to write two or three notes, as we call them, of 15 to 20 pages, dealing with an external service of the State as they have been able to study it in the district where they are located. This study of an external service is definitely a study of public administration in the broadest sense. Secondly, at the end of that same year, they are required to write what we call a "memoire de stage". This is a more comprehensive note (but not a thesis in the academic sense), on a subject they have had to deal with as probationers, that is to say, about which they have acquired some practical, personal experience. It must, as a rule, pose a problem which has to be solved and therefore about which the probationers have to propose personal solutions. Thus every year our probationers make available to the School, and more generally, to all those who are interested in Public Administration, a series of studies which may be, in some cases, of very great interest.

After finishing the first year of field work, the probationers come back to Paris for a year of studies proper at the school premises. And in these studies there are generally one or two or three courses which deal with public administration, administration structures or reforms, personnel management, governmental control of nationalised industries, etc. These courses have a more practical bias than those given at the institutes of political studies. But, far more important still than the lectures, they follow "Des travaux de conferences", thanks to which they do studies of public administration three times a week under the guidance of active civil servants. The supervising officer ensures that they take an objective, practical and synthetic approach to administrative problems and certainly not only a legal or financial or social one. It is always a blending of all these different perspectives which our probationers must bear in mind during the course of these

"Seminars". At the end of the second year comes a ranking examination. In this ranking examination, as we call it, there are two tests which are of a public administration character. First : on the basis of documents which are given to them to be studied, the probationers have to write, in six hours, an administrative note, or report which is supposed to have to be sent to a civil servant higher placed in the hierarchy, on a supposed case which is being put to them. Secondly : there is a *viva voce*, which consists of a 15 minutes *expose* followed by 15 minutes cross-examination on subjects which normally are dealing with public administration on the basis of the results of the 'ranking' or 'classification' examination, and their performance in the first year and in the group seminars, of the second year, the trainees are ranked from first to last. Then, according to their order of merit, the section to which they belong\* and the posts which have been made available to them by the Government, they freely choose their posts of future appointment.

The third and last year covers another short period of field training, usually of two months, in the "private sector", after which the probationers come back for the last time to the National School in order to undertake very practical, technical and specialized work in small groups. The nature of this work varies according to the careers each of them has at that time already chosen. This practical work takes normally the form of "case studies". The probationers are asked, by their "directors of practical work", to study actual files which these directors have procured for them in advance, from their own offices. The probationers thoroughly examine what the difficulties of the case were and propose solutions which they consider most appropriate. These solutions are discussed between the "Director", the probationer and his fellow-trainees in small groups of 6 or 7 or 8 for two hours, may be for four hours if the case so requires. The third year of training is really a period of transition from the work of the probationer in the strictest sense to the work of an active civil servant.

#### IV

The third direction in which the study of public administration in France has shown most fruitful results relates to intensified in-service training courses for the higher civil service. It is a common knowledge that civil servants, after some years of active service, become too much used to what they are doing and are not curious enough about

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\*The probationers are divided into four sections : of general administration, of economic and financial administration, of social administration and of external affairs,



developments in other fields. It is therefore always useful to give them an opportunity at this stage of developing a broader horizon and of increasing their knowledge in the field of their specialisation or in allied matters. This is why at the same time the National School of Administration was set up, there was created also a Centre of High Administrative Studies (Centre des Hautes Etudes Administratives), which would be the French parallel to the Administrative Staff College at Henley-on-Thames. But there is a rather striking difference in that the proportions of civil servants and non-civil servants to be found at Henley on the one hand, and in Paris on the other, are exactly reverse. In other words, at the French Centre, out of the 20 to 30 *auditeurs* at what we call a session, 4/5th are civil servants and only 1/5th come from the private sector, liberal professions, etc.

The structure of this centre is very simple. Its Director is *ex-officio* the Director of the National School of Administration. The same executive board supervises also the work of the Centre; there is, however, another advisory board, in regard to the discussion-subjects chosen for each session of the Centre. A training session at the Centre lasts for about 3 to 4 months and is conducted on a part-time basis, that is to say, from Thursday to Saturday afternoon. In a sense instruction on part-time basis is certainly less favourable from a scientific point of view than the one on a full-time basis, as at Henley-on-Thames. But it has a practical advantage, because the various departments or the "Grand Corps" which are asked to send some of their civil servants to the Centre are probably better disposed to do so, knowing that these civil servants will go on doing essentially what is their normal job during the first half of the week. One main subject is chosen for each session, *e.g.*, "The Role of French Government and Administration in International Technical Assistance" or "Economic Development of Sub-Developed Regions in France" or "The State and Scientific Research in France" and so on. The specific subject chosen for a session is thoroughly studied and discussed in all its possible aspects for 4 months under the guidance of an *ad hoc* Director who is appointed especially for that session and who works in very close contact with the Director of the Centre itself. A few lectures are delivered during the first week or so of the session to enable all the *auditeurs* who come from the various departments of the Government to acquaint themselves with the latest developments of the problem in a general, rather theoretical way. But that is only for a week or so and afterwards the *auditeurs* become the true instruments of their studies. Every time it is necessary, and it is often necessary, they do some field work outside Paris. In fact, in some cases field work was even done outside France. For instance, in the session on "Some

Administrative Problems of Large Cities" the trainees had to visit foreign towns as well. After the field work is over, the trainees come back to the Centre and are divided into small committees, each of which is allocated a certain part of the over-all study. These committees work for about two months, at the end of which a general report is prepared on the basis of the various separate reports previously got ready. Thus, Public Administration, in its most professional sense, but at the same time in a very scientific way, and I dare say at a very high level, is studied automatically in that way through the Centre of High Administrative Studies operating in France. But there is one disadvantage which I would like to specially mention. As the Centre deals with purely administrative problems and all its members (except 4 or 5) are civil servants every one of whom is bound to professional secrecy, the reports of sessions, as a rule, cannot be published. These reports, in most cases, are fairly of a high quality, and I feel it would be of great interest and perhaps it would promote a better understanding between the people and civil servants in France, if these reports could be made public.

## V

From the development which I have briefly outlined in my short lecture to-night, you will find that France is progressively catching up with other countries in the study and practice of public administration. Much still remains to be done; but much has already been done, and the main trends are clear enough. The study of Public Administration in France will undoubtedly keep its specific character and it is fortunate that it would be so. The French approach is and would be a very useful supplement to other approaches—the American, the British or the Indian. France has always been very deeply interested in the universal and comparative aspects of intellectual problems. Therefore, she will continue to develop the study of public administration according to such traditional lines of thought and she might, thus, be the pioneer of a more universal work in this field—by trying to bring about a sort of synthesis of the various national approaches for the benefit of the science of public administration—a science which has no fatherland particular to itself and, generally speaking, belongs to the whole world.

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## INTEGRATED RURAL DEVELOPMENT

*S. V. Ramamurty*

**D**URING the last two centuries village life has become anaemic and disintegrated through the introduction of an urban, colonial and commercial economy by the British rulers. The importance of cities has been enhanced as a result of the import of science and technology besides the politics of western rulers. The new philosophy of materialism with its sets of values divorced from the traditional and spiritual values of India, the new arts based on machines, the new modes of democratic organization, which while based on the whole people yet achieve full meaning and significance among the leaders who function in institutions concentrated in cities, have over-emphasized the political side of life to the detriment of the life of the people of the country in general. Politics has been on the whole an imposition on Indian life which while finding its natural habitat in cities has not fully fitted into villages and the country as a whole. Yet the civilization of India has been through many centuries identified with the life of the country rather than with its cities. The religion of India was rooted in the simple surroundings of villages more than in the bustle of cities. The culture of India has been widespread in its villages with their arts and crafts, the ceremonials of their social life and the cohesion of their public activities rather than with the luxury, the courtly pomp and the professional activities of cities, moving round kings, feudal lords and rich men. To rebuild Indian villages in the changed atmosphere of a free India, there is need both for a philosophy and a programme of rural development. Let me compare and contrast the elements of urban and rural life.

The atom of country life is the village; that of urban life is the individual citizen. This forms the basic distinction between the quality of life in the country and in cities. The definition of political democracy is that every man has a right to freedom subject to the equal right to freedom of others. This involves competition between individuals and furnishes a basis for individualism. As against this, rural democracy is based on the freedom of each individual subject to social well-being. Individual right is balanced by duty to society. Rural democracy is thus adapted to a socialist pattern of society. Residents of a village are subject to public opinion in the village. Their acts should not go contrary to accepted modes of conduct in the village. There is a balance between the individual and society



in a village which is not sought in a city. If competition is the prevailing motif of city life, co-operation is that of rural life.

Agriculture constitutes the prevailing economy of a village while industry and commerce that of a city. The village as a whole follows the moods of nature and adapts itself to its gifts. The individual in a city, each seeks his own way independently of his neighbour based on science and technology which give gifts in packets to individuals. Intellectual progress shows itself in the country as culture while that in cities is in the shape of science and technology. The basic culture of India can be seen and recognized in the country rather than in cities. In modern times, cities in Asia follow the pattern of European culture rather than Asian culture. In cities, the world meets. In the country, the national colour and quality of life is conserved.

Cities have their value in India as the centres where new knowledge in science and technology can be adapted to the needs of Indian life. Heavy industries, large industries, political and defence organization need large centres of Indian life which are or become cities. But the organization of life in cities differs in quality, purpose and mode of functioning from that of the country. In India, urban population to rural population is in the ratio of 20 : 80, while in the U.S.A., it is the reverse, namely 80 : 20. Politics which is the ideology of cities can be applied only to a small part of Indian life and development. There is need for a different ideology as the primary ideology of Indian life and development. I have coined the word 'Ruralics' to denote a philosophy of rural life.

What comes to India from the West has a place in the planning and development of India. But it should not be treated as providing a complete objective. The balance of urban and rural life is itself an element of 'ruralics'. This balance in India has been upset by colonial politics from the West which has built in India an urban and commercial life and made village economy anaemic. Village politics have often tended to be a cancerous growth, flourishing in village factions and breaking up the cohesion and co-operation of village life. The work of the National Planning Commission has thrown increased emphasis on rural development and advocated such urban development as will spread benefits over the whole country through nationalization of heavy and essential industries.

Village life in India was built up on the social and economic patterns available in pre-scientific age. Such life has been disintegrated by the imported methods of science and technology which tended to be adapted to the needs of cities and not of the country as

a whole. It is now recognized that science should be used not only for large industries in towns but also for medium and small-scale industries and down to village industries. It is recognized that electric power should be ruralized instead of being used only in towns. It is recognized that the culture of India can express itself through rural art better than through mechanized urban art. If a balance of modern amenities is struck between a village and a city through what may be called a *rurban* organization, there will be a better retention of intelligence and energy in village life. A town of 20,000 people gets a municipal council, a high school, a hospital, doctors and engineers. There is no reason why 20,000 people spread over a larger area in the shape of villages should not be provided with such amenities through a suitable organization designed by 'ruralics'. In villages themselves, science has begun to provide new modes of community action. The village lost its old economy as a result of the use of science and technology in cities. There is now a new economy in villages as a result of the increasing use of new knowledge and organization in villages. Agriculture in the village has now the benefit of improved seed, manure, implements and anti-pest measures produced with the help of science. Modern engineering has constituted large reservoirs of water which provide wholesale irrigation for villages. The Japanese method of cultivation of paddy has opened up to villages the possibility of producing 50 to 100 per cent more paddy crop. The Community Project organization has given to villages the opportunity to take mass action in the village for increased agricultural production, development of cottage industries and betterment of social conditions by the combined efforts of villagers.

The Planning Commission has initiated a programme of integrated rural development. This programme is based on four principles laid down by the Deputy Chairman of the Planning Commission. These four principles are :

1. Every family to have a plan;
2. An adult member of each family to be a member of a co-operative society by own right;
3. Special measures for women and children; and
4. Community activities.

Agricultural production is a result not only of the cultivation of nature but also the cultivation of man. For long the latter aspect has been neglected in India and man has been a missing link in Indian agriculture. The Community Project and National Extension Service movement has laid emphasis on human development in a village

in addition to natural development. To give concrete expression to this programme of rural development, two villages have been selected in Mysore each in a National Extension Service block. These are *Kodigahalli* village in Bangalore division and *Hittanahalli* village in Mysore division. Each of the villages has a panchayat and a co-operative society. With the co-operation of the village panchayatdars, the village level worker of the N.E.S. block has prepared two records :

A. A general list of families with the following columns :

- (1) Serial number of family
- (2) Head of family
- (3) Number of males, females and children in the family
- (4) Extent of the land holding in the family
- (5) Area irrigated and how
- (6) Membership of a co-operative society
- (7) Use of good seed
- (8) Use of manure—chemical, compost and green
- (9) Marketing co-operatively or through merchants.

B. A case sheet for each family has also been prepared. In this the heading of the various columns mentioned in 'A' from (5) onwards are dealt with and under each heading (a) denotes the present position and (b) denotes proposals for improvement. The following additional headings are also dealt with :—

- (10) Position of women and children in the family
- (11) Use of cottage industries in spare time
- (12) Participation in community activities, social and economic
- (13) Assessment of the possibilities of improving the economic activities of the village as a whole with special reference to increase of agricultural production, growing good seed and green manure for the village in the village.

In each village a plan for each family is in course of preparation by the village level worker and the village panchayatdars, with the guidance of the Block Development Officer and the various officers of the State Development Departments. Having prepared these plans they will help in their implementation.

The village of *Kodigahalli* has a population of 600 with 102 families. Nearly 75% of the families have membership in the co-operative



society. The Japanese method of paddy cultivation which has been introduced in the village is proposed to be adopted over all the paddy land in the village as well as on the land owned by the villagers of *Kodigahalli* in neighbouring villages in the course of the coming year. The use of good seed, of green manure and chemical fertilisers is being systematically spread. The provision of credit of Rs. 100 an acre to carry out the Japanese method is being arranged. Almost all the villagers are known to the village level worker. The social education organizer of the block has started a women's samaj, a children's club and has helped the adoption of improvements in the house. The village has a system of free Monday labour and with this they have built village roads, drains and are to build a village panchayat house. A Bharat Sevak Samaj has been started in the village with three sub-committees for agriculture, for Monday labour and youth organization and for education and social education. The other villages in the jurisdiction of the village level worker in charge of *Kodigahalli* are also to be helped to emulate the intensive development of *Kodigahalli*.

The *Hittanahalli* village has a population of 1500 with 270 families. Out of 300 acres of paddy land, the Japanese method is adopted on 205 acres. In the remaining 95 acres most of the measures of the Japanese method are being followed. The production per acre of paddy has risen from 1500-2000 lbs. to 3000-3500 lbs. Increase of yield has been due to reduced seed rate, use of green manure, improved ploughs, use of chemical manure, weeding as well as provision of short term credit. Green manure is being raised and chemical manure supplied to the village. It is expected that half the chemicals could be cut down if the production of green manure was increased. The other villages around *Hittanahalli* have got panchayats and two-thirds of the families are also members of co-operative societies.

Speaking generally, *Kodigahalli* is a village with good leadership and human resources. *Hittanahalli* is a village with good natural resources as it is fed by the Cauvery channels. In both, the villagers are organizing community life through concerted action. In the past a village level worker addressed villagers with a forward outlook and some of them followed his advice. The result has been that rich villagers have become richer but poor villagers have remained where they are. On the basis of the programme for rural development initiated by the Planning Commission, every family has to have a plan of development so that it is not merely the maximum production in the village that will be raised but also the average production. The difficulty in India is not that high yields of production are not reached here and there but that the average production is low. In irrigated areas the average production of paddy is about 1600 to 1800 lbs. an

acre. It is definitely possible to raise this average by 50% to about 2500 lbs. The integration of village effort is a source of mobilizing the human energy of the village. The power of an integral is greater than the sum of the power of its parts. A disciplined regiment of a thousand soldiers is more powerful than an army many thousand strong but undisciplined. Village life can become enriched through organization. A common type of plan for the whole village based on its geography, its history, its economic resources and the quality of its people, will produce a 'single mindedness' comparable to that of a disciplined regiment.

For the re-orientation and rebuilding of village life in India there is need both for the philosophy and the programme of concrete action that have been described above. The success of the experiments in Mysore will be watched with interest.



"Public administration, apart from the normal features that it should have, should be intimately concerned with public co-operation. The idea of a public servant sitting in a world apart and doling out impartial justice is completely out of place in a democratic society, and much more so in a dynamic democratic society which is moving forward, because the very pace of moving forward depends not on the public servant but on the people, and if there is no intimate connection between the people and the public servant, then he may be efficient but there is no movement forward."....."in the modern age the success of the public servant lies, in addition to ability, efficiency and integrity, upon his capacity to co-operate with the public. It is an essential requirement of the public servant of today. If he cannot meet it, all his efficiency is not of much use."

—*JAWAHARLAL NEHRU*

(in Presidential Address at the Fourth  
Annual Meeting of the General Body  
of the I.I.P.A. held on the 5th April, 1958.)

## HEARING AND CONSULTATION PROCEDURE IN PUBLIC ADMINISTRATION

R. C. Dutt

THE subject of "Hearing and Consultation Procedure in Public Administration" formed one of the three subjects discussed at a Round Table arranged by the International Institute of Administrative Sciences at Liege (Belgium) this summer. The importance which such procedure has assumed in the democratic administrations of modern states amply justifies its detailed consideration by an international organisation devoted to the study of public administration.

There are two factors which contribute to the importance of this procedure in modern administrations. The first is the complexity as well as the comprehensiveness of the functions of the states in relation to their citizens. The nineteenth century theory of individualism and *laissez faire* has given place to state control in all spheres of national activity. The theorists of the last century envisaged individuals developing their full stature once they were freed of the bonds which the state imposed on them. The twentieth century soon revealed, however, that the bonds were forged really by the unrestricted social and economic forces, and that it was only when these forces were controlled by the state that the citizens could reap the full benefits of the highly technological civilisation which is the characteristics of the present century. The need for state control is, therefore, fully recognised now, and this control spreads to larger and newer fields as society becomes more and more complex. State control takes various forms. It may take the restrictive form of a prohibitory nature, or it may take the constructive form of development by providing help and guidance where they are needed. In fact, every state measure has both these aspects in a greater or less degree. A restrictive measure is justified only because it provides the background for development. Even the purely law and order activities, which form the traditionally regulatory functions of the state, are relevant because they create conditions which are the essential pre-requisites of social and economic development. Whatever form such activities may take, however, they have to be based on the fullest available information on the subject sought to be regulated or developed. The term "information" is used here in the broadest sense. It includes not merely data of a statistical or factual nature, but also knowledge of the



forces sought to be controlled and the probable result of the activities proposed to be undertaken.

The second factor which lends importance to consultative procedure is the democratic nature of the administration. It is possible to conceive of a completely autocratic state which imposes its "fiat" on society or on social groups without any attempt to ascertain the views or opinions of the latter. Even in such cases, the first factor will operate. The need will still exist to collect not only factual data, but also to obtain "expert" advice. It is conceivable, however, that a purely autocratic state need not go beyond this. In fact, this is hardly true of any state today where citizens have attained a certain degree of maturity, and it is less and less true the more democratic a state is in nature. On the other hand, in a modern state, the facts of increasing state activity and the complexity of social life lead to forces and interests being continually realigned in organisations such as those of employers' or employees' unions, of professional associations and other interest groups. These groups clamour to be heard and consulted, and few states, even if not fully democratic, can afford to ignore such claims. Thus arises the need for consultation in the modern administration, a need which is increasingly felt in states where there is a conscious desire to exercise authority in accordance with the wishes of the people.

The distinction between "hearing" and "consultation" is more one of emphasis and procedure than of substance. The emphasis in the hearing procedure is on the information sought to be obtained. The procedure is to provide an opportunity to the persons or the groups of persons concerned, who have the requisite information, to be heard. In the consultation procedure, on the other hand, the emphasis is on opinions. The procedure generally is to constitute "councils" and "boards" which tender "advice". The two processes are, however, by no means exclusive of each other. As indicated in the next section of this article, information is often collected by "committees" and "commissions". They hear the parties concerned and elicit both factual information as well as opinions and points of view. So far the procedure is one of hearing. Their reports, however, are not merely collections of such information. They examine the information, analyse them and tender their advice. In doing so, they become consultative bodies, and the procedure is indistinguishable from that of the consultative bodies. On the other hand, a purely consultative body as the Panel of Economists who are consulted by the Planning Commission may well consider it necessary to hear others before tendering advice to Government. Even a consultative body of non-experts may find it necessary to elicit facts and

views before formulating specific recommendations. In such cases, the hearing procedure is combined with that of consultation, and the entire process has characteristics of both. Nevertheless, the distinction between Hearing and Consultation, indicating, as it does, the emphasis on one aspect or the other, has a useful, though limited, role in the examination and analysis of the functions of such bodies.

### **Hearing Procedure**

Theoretically, there is no reason why collection of data or information in the form of hearing should not be done directly by Government or by an agent authorised by them and acting on their behalf. In fact, in cases of a litigious or semi-litigious nature or in contestations between the administrative authorities and private citizens, which are excluded from the scope of this study, 'hearings' are often given by persons who are directly authorised to take decisions on behalf of Government. Even in other cases, it is often the practice to call for information and to hear the views of various non-Government authorities, *e.g.*, local bodies or non-official organisations, before important decisions are taken. The 'hearing' procedure is, however, typified not by such instances, but by instances in which certain specific subjects are remitted to committees or commissions for hearing and investigation.

There are numerous instances of such committees or commissions, the more important instances in the recent administrative experience of India being (i) the Commission to report on the re-organisation of the States, and (ii) the Commission to report on the question of the official language in India. A third commission, which is also of great importance, and which is functioning at present, is the Pay Commission, which has been asked, generally speaking, to report on the pay structure of the Civil Services. There have been other committees also dealing with important aspects of public administration. One such, for instance, was a committee on foodgrains; another a study team on the community development projects. It is interesting to note, in this connection, that the Constitution of India provides for the appointment of a Finance Commission every five years "or at such earlier time as the President considers necessary". Article 280 of the Constitution prescribes the duties of the Commission as follows :

"It shall be the duty of the Commission to make recommendations to the President as to—

- (a) the distribution between the Union and the States of the net proceeds of taxes which are to be, or may be divided

- between them under this Chapter and the allocation between the States of the respective shares of such proceeds;
- (b) the principles which should govern the grants-in-aid to the revenues of the States out of the Consolidated Fund of India;
  - (c) the continuance or modification of the terms of any agreement entered into by the Government of India with the Government of any State specified in Part B of the First Schedule under clause 1 of Article 278 or under Article 306; and
  - (d) any other matter referred to the Commission by the President in the interests of sound finance."

### *Composition of 'Hearing' Organs*

The composition of such committees and commissions is of some interest, particularly in contrast with the composition of 'consultative bodies', dealt with in a subsequent section of this essay. The membership of such committees and commissions is not necessarily restricted to experts on the subjects of study, but the emphasis in the matter of selection of members is on the ability of the persons selected to contribute to the study in question. If such persons are not experts, they are, at least, persons, who have experience of the administrative processes relating to the subject under study, or, who are qualified to investigate into the problems, (i) by obtaining information from all possible sources, and (ii) marshalling the data with a view to arriving at the correct conclusions. Another relevant consideration for the selection of personnel for such bodies is the need to inspire public confidence in their sense of justice and impartiality. It is for this reason that persons like eminent judges are appointed to such Committees in spite of the fact that they have had no special acquaintance with the subject under consideration. Such persons need not, however, be representative of any interest either on a functional or on a territorial basis.

### *Methods and Processes*

The subjects for study remitted to such committees are defined by the terms of reference drawn up for them. These terms of reference, forming, as they do, the basic charter for the activities of these bodies, are of considerable importance. In fact, a good deal depends on how precisely these terms are drawn up.

The terms should indicate clearly the limits of the subjects entrusted for scrutiny and investigation. Whatever may be the subject under consideration, there are generally limits within which



freedom of action is possible by Governments. These limits are set by certain basic principles and policies already accepted by Government, which cannot be, or, are not likely to be, altered as a result of the investigations or studies carried out by such bodies. It is necessary that these limitations should be clearly indicated, unless, they are of a nature that they may be assumed to be understood even without any such clear indication. In this respect, such investigations necessarily differ from purely scientific or academic enquiries. For the latter, there are no such basic limitations. For the former, however, limits are set not only by the history and traditions of the people within which Governments have to function, but also by their own past commitments and the state of public opinion.

Once the terms of reference are prescribed, it is the normal practice to give the committees or commissions complete freedom to devise their own procedure. In this procedure, however, hearings naturally and inevitably play a very important part. In fact, the procedure centres round the hearings, and is intended to elicit the maximum amount of information, both on facts and opinions, from them. The procedure adopted by Commissions and Committees of Enquiry, therefore, tend to follow a broad pattern, though the details of such procedure naturally vary to suit the requirements of the subject under study. The first most important objective of a Committee of Enquiry is to frame a questionnaire intended to elicit information on all aspects of the subject under consideration. The formulation of such a questionnaire marks a distinct step forward in the process of the study and investigation of the subject in question. It cannot, however, be framed until a preliminary study of a sufficiently detailed nature is made, which would indicate not only generally the type of information required, but also, in some detail, the precise nature of such information necessary for definite conclusions to be drawn. The questionnaire therefore, cannot be framed until such study has been made and at least, the main issues formulated. Often, therefore, the framing of the questionnaire is not the first step in the process of collection of information. It often follows not only detailed discussions amongst the members of the Committee or Commission, but also a certain amount of consultations with, including hearings of, individuals or organisations outside.

After the questionnaire is framed, the formal process of hearing begins. Such hearings may take either of the two forms mentioned below : in fact, they generally include both :

- (i) There are oral hearings of persons or organisations competent to supply information on the questionnaire framed, and

- (ii) in more important cases, written statements in reply to the questionnaire are called for and obtained.

This is generally supplemented by oral hearings in forms of questions and answers intended to clarify and elucidate the information supplied in the written statements.

A third method to supplement such hearings, oral or written, is for the committees and commissions to hold local inspections and collect information on the spot, in corroboration or otherwise of the facts already obtained. Such local inspections often provide an opportunity for persons, who would otherwise not be heard, to come forward and present, during such local inspections, either facts or opinions on the questions at issue.

The procedure for hearing and collection of information with the help of committees and commissions and not directly by departmental officers has its peculiar value. If the members of such bodies are carefully selected, Government have the services of persons, who, if they are not specialists in the subjects under consideration, are, at least, well-versed in the art of investigation and trained in scientific processes. These are qualities which may or may not be present in all administrators. Apart from this, such enquiries and hearings, made directly on behalf of Government by departmental officers, are subject to two difficulties :

- (i) The departmental officer is, to a considerable extent restricted by the outlook of the Government on the particular subject. Having been trained to function within the framework of Government policy, it is often difficult for an administrator to go beyond such limits, and undertake enquiries, the results of which may be radically different from the past thinking of the Government on the subject.
- (ii) Secondly, even if departmental officers are given complete freedom, and are in fact capable of functioning independently, it often happens that such officers have themselves been, in the past, associated with the formulation or execution of the policies of Government which are under examination. In these circumstances, it is extremely difficult for such officers, to ignore completely their own past views, and not merely those of the Government they serve, and adopt a line more consistent with the present-day requirements of the subject.

It is, therefore, unlikely that complete detachment could be assured if hearings and enquiries were entrusted to purely Government

agencies. What is even important, however, is the fact that such enquiries, undertaken by Committees composed mainly by persons not in the Government or committed to the Government's ways of thinking, inspire greater confidence among the public. This is a matter of importance for, to the extent that a committee can function with the confidence of the people, it is likely that their recommendations would be more acceptable to them. And, in a democratic system of Government, popular acceptance goes a long way in Government's ability to implement such recommendations. Nevertheless, it is found useful in most such committees or commissions to have a proportion of members drawn from the Civil Services. The Civil servant associated with actual administration is more fully aware than others not so associated, of the precise implications of a particular line of action. This knowledge is invaluable in formulating policies, and cannot be adequately provided by official witnesses examined by or on behalf of the committees or commissions.

### **Consultation Procedure**

As indicated earlier, Consultation is a process, which is directed at eliciting opinions with a view to action. Two types of consultative or advisory bodies can be clearly distinguished. One is a body of experts whose advice is sought on technical matters relating to administration. The other covers a wider field and consists of representatives of various interests, territorial or functional, whose opinion is sought not so much on account of their specialised knowledge, as because they represent certain points of view. The distinction between "expert committees" and "representative committees" is not, however, always clear-cut. Often, the composition of consultative bodies reveals both these elements. Some are chosen because of their specialised knowledge or experience, and others because of their representative character.

From the point of view of functions again, consultative bodies may be divided into two categories. There are those that are consulted on broad matters of policies, and there are others concerned with the implementation of policies at the administrative level.

Illustrations of these various types of consultative bodies can be drawn from any modern administrative set-up. In the Indian context, the expert body is illustrated by the Panel of Economists whose advice is sought by the Government of India on the economic policy of the administration generally, and in particular with regard to the framework of the Five-Year Plans. Economists are selected for inclusion in the Panel not because they represent any section of the population or any organised interest, but because of their specialised knowledge in the field of Applied Economics. Another instance of



such a body is a Panel of Scientists consulted by Government with regard to their scientific policy. Such a body is even more detached from sectional and group interests than a body of economists. They are consulted solely for their expert knowledge in their respective fields.

An advisory committee may have a statutory basis. Thus, for instance, the Central Advisory Council of Industries has been set up in India under the Industries (Development and Regulation) Act, 1951. The functions of the Council are defined in the Statute, which is "to advise Government on matters concerning the development and regulation of scheduled industries and any other matter connected with the administration of the Act". Their function, however, still remains advisory or consultative, and it is ultimately for the Government to accept or reject the advice tendered to them. This Act has also set up Development Councils, each dealing with a particular group of industries.

Secondly, there are advisory or consultative bodies whose main object is to elicit representative opinion on the subjects under consideration. The best illustrations of such bodies are drawn from the field of planning and development. Progressive opinion in a democratic society favours a plan which is evolved from below, and not one that is imposed from above. It is not difficult to draw up a blueprint of a comprehensive plan, which would satisfy all the theoretical conditions imposed by economic considerations. A plan of this nature can be drawn up by a body of experts with little contact with the masses for whom the plan is intended. Such a plan, however flawless in its conception, fails to satisfy the desires and aspirations of the people and is, to the extent, foreign to them. In a democratic society, a plan superimposed from above would have little chance of being acceptable to the people for whom it is intended. The tendency, therefore, in democratic planning is to evoke suggestions from the people, and this can only be done with the help of representative bodies of a consultative nature. It is, for instance, for the people to say what type of development they would prefer. Within a given limit of resources, it may be possible either to plan for more schools or for more hospitals or for better means of communications. A plan imposed from above may try to strike a balance between conflicting desiderata and formulate a plan, which purely logically, may be faultless. And yet the people may even illogically prefer schools to hospitals. Such points of view cannot be ignored merely because, on certain theoretical considerations, they are not entirely logical. A plan has to take into account the irrational desires of the people and make room for such desires to the extent possible. It is in this context that consultative

bodies of a representative character assume an importance out of proportion to the theoretical need for such bodies.

A great majority of the consultative bodies are, however, neither purely expert committees, nor purely representative. They consist of both these elements the object being to provide a balance between the specialised requirements of modern administrations and the representative character of democratic Governments.

From the functional point of view, a consultative body on matters of policy is illustrated in India by the Export and Import Advisory Committees. The Committees advise the Government on general policies regarding exports and imports respectively. It is for them to suggest in a given economic context the degree and the nature of control which Government should exercise on the country's exports and imports.

There are, however, other consultative bodies which function within the framework of a general policy and advise on the implementation or administration of such a policy. The Customs Advisory Committees, the National Railway Users' Consultative Council, the Advisory Committees on Telephone Services are illustrations to the point.

### *Relations with Government*

The 'consultative bodies' as their name implies, are advisory in character. This does not, however, give a complete picture of the functions of such bodies or of their role in public administration. The recommendations of a responsible consultative body, whether it is an expert body or a representative one, cannot be treated lightly. The views expressed by such bodies have to be considered by Government, and if their advice is not accepted, Government have to be prepared to justify their non-acceptance not only before the Legislature but before the public in general. In practice, therefore, the views expressed by such consultative bodies have considerable influence on the administrative machinery. Government cannot naturally divest themselves of the final responsibility for administration, which vests in them. To the extent that the advice of consultative bodies are contrary to the basic principles of policy adopted by Government, they have, of course, to be rejected, but in a democratic system of Government, the sanction behind their recommendations is public opinion, in legislatures and outside, which is averse to the advice of such bodies being rejected except for weighty reasons.

### *Practical Importance of Consultation*

The practical importance of such consultation, where the consultation is with representative bodies, lies, first, in the various parts of the Government machinery being made more directly responsive to the feelings, the opinions and even the prejudices of the people concerned. In a modern democratic society, and particularly in a large country, this is a matter of very great importance. The control of Government through the popularly elected legislatures, which forms the essence of parliamentary democracy, is not always adequate to interpret popular desires and aspirations with reference to the various aspects of a complex administration. Nor in a country with a large population and a wide area can the wishes of the people be adequately represented by a representative elected once in five years to represent about a million persons. Secondly, and perhaps more important than the first, is the fact that consultation with representative bodies creates a feeling of association between the administration and the interest which are consulted. This is a matter of the utmost importance, for no Government, and much less a democratic government, can function unless there is a general consciousness that the various administrative measures adopted from time to time are not only for the good of the people for whom they are meant, but also in response to their expressed desires and wishes. It is only this feeling of participation in the act of administration that can evoke the enthusiasm among the people which is so necessary for any mass effort to overcome the difficulties which stand in the way of progress.

### *Disadvantages*

There are, however, possible disadvantages or dangers to guard against. One such possible danger is that a purely consultative body, without any direct responsibility for administration, may tend to become irresponsible. Not being themselves responsible for the implementation of the suggestions, their suggestions may tend to be impracticable. This is a danger which can be guarded against by devolution of administrative functions on consultative bodies. To the extent such devolution takes place, the bodies, of course, cease to be purely consultative in character. In certain spheres, however, as for instance, in the sphere of local development programmes, such association with the execution of the programmes as well as consultation in framing them may both be desirable and feasible. Even without devolution of such executive functions, a greater sense of responsibility may be developed by careful consideration of the advice of such bodies by the authorities concerned. A consultative body whose advice is given the weight



it deserves cannot disown responsibility for the consequences which follow from its advice.

There is also a danger that consultative bodies charged with the consideration of particular problems in limited spheres, functional or territorial, may take a narrow or parochial view of their problems. Such bodies may also take a view more influenced by local prejudices, than by logical, scientific reasons. These are real dangers, and the extent to which such dangers are in fact avoided is the real measure of the success of the consultative system. It is the duty of the Government or the public authority to correct such errors, not by brushing aside the advice of such bodies, but by more closely associating them with the entire process of administration. There is often considerable advantage in accepting the second best solution of a problem, if the best solution is not in accord with the desires, or even the prejudices of the people. Such acceptance should, however, be with the full knowledge that the solution adopted is the second best and not the best. It should also be accompanied by an effort on the part of the Administration to present the full picture before such consultative bodies which would help them to avoid their errors. A good deal must naturally depend on the understanding and the spirit in which the assistance of consultative bodies is sought by the authorities concerned.

### *Experience of Consultative Procedure in India*

In an earlier section, instances have been drawn from the Indian experience to illustrate the points under discussion. An indication has thus been given already of the various types of consultative bodies which exist in India. A list of such bodies, attached to the Central Government of India, is contained in NOTES at the end of the article. The list is not exhaustive but would give some idea of the type of bodies which function in relation to the Central Government. There is, however, one important omission, to which reference should be made. The appendix does not contain any detail about the consultative bodies attached to the State Governments in India.

The State Governments cover an important field of administration and their functions have been defined in the Constitution. While some of the Ministries and Departments of the Government of India administer specific subjects, a large part of the effort of the Union Government is directed towards co-ordination and guidance

of State administration. In the important field of rural development, for instance, the Central Ministry of Community Development acts mainly in the role of a co-ordinator and adviser. The implementation of the programme is left entirely to the State Governments. In such spheres, the role of consultative bodies is of very great importance. Similarly, Health is a State subject under the Constitution, and so also Education, though there are Central Ministries of Health and Education, which, apart from administering specific institutions, generally advise and co-ordinate the activities of the State Governments. It is, however, the State administration, that is more directly in contact with the people, and the need for consultative bodies in those spheres arises, therefore, more in the States than at the Centre.

The experience of consultative bodies in India has, on the whole, been satisfactory. They have certainly helped to keep the administration attuned to public opinion. On the basis of this experience, recourse is being had, in an increasing measure, to such consultative machinery. In this context, however, the role of such bodies in the sphere of planning and local development has been of great importance. It is, therefore, desirable to devote some space to the experience in this field.

The programme of community development, administered at the Central level by the Ministry of Community Development, is a comprehensive programme of development in the rural areas on almost all possible fronts. It includes programmes of development in the fields of education, sanitation, minor irrigation, methods of cultivation, health, etc. The rural areas are geographically divided in Blocks, and programmes of greater or less intensity taken up in these Blocks. The State Governments are responsible for the administration of the programmes, local assistance being enlisted through consultative bodies, known as Block Advisory Committees. These committees are composed of some official members and some non-officials, with a senior official as Chairman, and the officer-in-charge of Block development as Secretary. The Committees are purely advisory in nature, having no executive functions. They are expected (i) to advise in the planning and execution of the development programmes, and (ii) to help in enlisting popular support and participation.

A Committee\* which recently reviewed the work of the Block Advisory Committees has noted that there is near unanimity among

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\*Formally named "Study Team" of the Committee on Plan Projects.

official members about the usefulness of the Committees in making plans of work for the Block. The Committee has, however, recommended that the Block Advisory Committee as well as the existing local government bodies should be replaced by "a single representative and vigorous democratic institution to take charge of all aspects of development work in rural areas". The Committee adds: "This body can function effectively only if it is the whole authority for all those development programmes which are of exclusive interest for the area. In such matters, the State Government will cease to operate within the area, and in special circumstances when it has to, it has to do so through the agency of this local body". The local body, to be set up in place of the existing Block Advisory Committee should, according to this reviewing Committee "cover the development of agriculture in all its aspects, improvement of cattle, promotion of local industries, public health, welfare work, administration of primary schools and collection and maintenance of statistics".

This recommendation regarding an important field of public administration is highly significant of the Indian experience. While the Committee has appreciated the usefulness of the consultative bodies in this field, it has clearly indicated its view that without devolution of executive authority and functions such bodies in their purely consultative capacities cannot entirely fulfil the expectations on the basis of which they were constituted. While consultative bodies do serve useful purpose, they have failed in this field according to the Committee, to "evoke popular initiative". Such popular initiative, the Committee is confident, will be forthcoming only if a more powerful Committee on the lines suggested earlier takes the place of the existing Committee.

The validity of the Committee's conclusion has yet to be tested in the field of actual experience. It does, however, significantly point to the fact that consultative bodies of a representative nature have a useful but limited role to play. Consultation is wholesome as a source of information so vitally necessary to a democratic administration, but it is no substitute for decentralisation or devolution of authority. There are, however, fields of administration where decentralisation or devolution of authority is neither practicable nor desirable. The fields of financial, commercial and industrial policy administration are instances to the point. In fact, field consultative institutions in their pure form, unburdened with responsibilities of exercise of authority, have a most useful and sometimes indispensable part to play.



## NOTES

## Consultative Bodies in the Government of India

<i>Name of the Committee/ Board/Commission</i>	<i>Functions</i>
<i>Ministry of Commerce and Industry</i>	
Central Advisory Council of Industries	To advise Government on development and regulation of scheduled industries and other matters connected with the administration of the Industries (Development and Regulation) Act.
Development Councils	To suggest targets of production, norms of efficiency, measures for securing fuller utilisation of installed capacity, arrangements for better marketing and distribution and promotion of standardisation of products; undertaking inquiries as to materials, equipment and methods of production including discovery and development of new and alternative materials, equipment and method; scientific and industrial research and training of personnel including re-training of surplus personnel in alternative occupations; standardisation of accounting and costing methods, collection and formulation of statistics, investigation of possibilities of decentralising stages and growth of allied small-scale and cottage industries; advising on labour problems including their service conditions and amenities etc. and collection of information useful to the industry and rendering of advice.
Export Advisory Council	To facilitate discussion of difficulties regarding export of goods, recommend means of expanding the aggregate exports of staple commodities, and other Indian produce and for expansion of sales overseas.
Import Advisory Council	To advise Government on all matters of general policy relating to import control.
All-India Handloom Board	To advise Government generally on the problems of Handloom Industry, examine schemes for improvement and development thereof and recommend assistance from the cess fund created out of the additional excise duty.

Cotton Textile Fund Committee	To supervise the exports of yarn and cotton cloth, development of technical education, research, etc.
Standing Metric Committee	To advise on the form of legislation for establishing metric system of weights and measures, phasing the changes to the new system, etc.
Small-Scale Industries Board	To frame and recommend programmes generally for the development of Small-Scale Industries in India.
Licensing Committee	To investigate all applications for licence, for establishing new industrial undertakings and substantial expansion of an industrial undertaking.
All-India Handicrafts Board	To study and advise on technical, financial and organisational aspects, including sales organisation in India and abroad and formulate all-India plans for development, and assist and co-ordinate the plans of State Governments and also make recommendations for financial assistance to the State Governments.
Tariff Commission, Bombay	To enquire into claims for protection to industry and other allied matters referred to by Government.
Textile Trade Marks Advisory Committee	To advise Registrar of Trade Marks on applications for registration.
Forward Markets Commission	To advise on matters concerning recognition of associations under Forward Contracts (Regulations) Act, 1942, and keep the activities of Forward Markets under observation with a view to apprise Government of developments and make recommendations for control, when necessary; to collect and disseminate information on the working of forward markets; to inspect accounts and other documents of recognised associations, when considered necessary.
Coir Board	To regulate production of husks, coir yarns and coir products and promote export of coir yarn and coir products; to undertake, assist or encourage scientific, technological and economic research and collect and publish statistics of the industry, fix grade

standards and arrange for inspections; to improve marketing in India and elsewhere prevent unfair competition, and promote co-operative organisation among producers.

### Central Silk Board

To promote the development of silk industry, including undertaking of scientific, technological and economic research, rendering of technical advice, devising means for improving qualities of raw material, marketing of raw silk and collection of statistics and to advise the Central Government on development of the industry, including import and export of raw silk.

### *Ministry of Education*

#### Central Advisory Board of Education

To advise on all educational questions, remitted by the Centre or the State Governments, and to call for information and advise on educational developments of special interest or value to India, to examine such information and circulate it with recommendations to the Union or State Governments.

#### Indian Historical Record Commission

To advise regarding the treatment of archives for the purpose of historical study.

#### Inter-State Board for Anglo-Indian Education in India

To ensure uniformity of educational standards and co-ordination of Anglo-Indian education throughout India by making recommendations to State Governments on matters of common interest.

#### National Advisory Council for the Education of the Handicapped

To advise on all problems concerning education, training, employment and provision of social and cultural amenities for the blind, the deaf, the mentally and orthopaedically handicapped, to formulate new schemes and to serve as a liaison between the Central Government and other voluntary social organisations.

### *Ministry of External Affairs*

#### Central Haj Committee

To advise Government on matters connected with Haj.



*Ministry of Food and Agriculture (Department of Agriculture)*

Standing Expert Committee on Seeds	To review annually steps taken in every State for evaluation, implication and distribution of improved strain of seeds of main food crops and to recommend ways and means for covering greater area under improved seeds.
Standing Committee of Experts on Manures and Fertilizers	To advise on the steps for increasing consumption of existing desirable types of manures and fertilizers; to take stock of the results of manurial research in India and abroad; to make suggestions for improved use of manures in different States and to review the progress in production and consumption of manures and fertilizers and to recommend measures for the achievement of its objectives.
Central Fruit Products Advisory Committee	To advise on matters pertaining to fruit preservation industry.
Advisory Committee for Central College of Agriculture	To advise on questions of policy, aims, working, curriculum, creation of posts, and matters relating to fees, scholarships etc. of the College.
Central Advisory Board on Forest Utilization	To advise on assignment of priority to items of research conducted at the Forest Research Institute; to co-ordinate with industry, agriculture and public and liaise with producer, consumer and research.

*Ministry of Health*

Drugs Technical Advisory Board	To advise the Central and State Governments on technical matters arising out of the administration of the Drugs Act, 1940, and rules made thereunder.
Drugs Consultative Committee	To advise the Central and State Governments and the Drugs Technical Advisory Board for securing uniformity in the administration of the Drugs Act and the rules thereunder.
Central Committee for Food Standards	To advise the Central and State Governments on matters arising out of the administration of the Prevention of Food Adulteration Act, 1954, and carry out the other functions assigned to it under this Act.

*Ministry of Labour and Employment*

Mining Boards	To advise Government on any matters referred to them under the Mines Act, 1952, or Regulations and rules framed thereunder.
Coal Mines Labour Welfare Fund Advisory Committee	To advise Government on matters on which the Central Government or the Housing Board is required to consult the Committee under the Coal Mines Labour Welfare Fund Act, 1947, and on other matters arising out of the administration of the Act which the Central Government may refer to it.
Mica Mines Labour Welfare Fund Advisory Committee for the States of Bihar, Andhra and Rajasthan	To advise Government on any matter arising out of the administration of the Mica Mines Labour Welfare Fund Act, 1946, and the rules made thereunder.
Indian Labour Conference	To advise Government on any matters referred to it taking into account suggestions made by the State Governments and representative organisations of employers and employees.
Dock Workers Advisory Committee	To advise Government on such matters arising out of the administration of the Dock Workers (Regulation of Employment) Act, 1948, or any scheme made thereunder as the Government may refer to it.
Advisory Committee for Central Undertakings	To advise Government on revision of minimum rates of wages fixed under the Minimum Wages Act, 1948, for the workers in the Central sphere Undertakings.
National Employment Council	To advise Central Government on matters relating to employment, creation of employment opportunities including consideration of employment potential of the Second and subsequent Five Year Plans and the development of the National Employment Service.

*Ministry of Rehabilitation*

Advisory Board, under Displaced Persons (Compensation and Rehabilitation) Act, 1954	To advise Government on matters of policy arising out of the administration of the Displaced Persons (Compensation and Rehabilitation) Act, 1954.
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*Ministry of Scientific Research and Cultural Affairs*

Central Advisory Board of Archaeology.	To advise on all matters relating to Archaeology in India.
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Central Advisory Board of Museums	To advise on all matters pertaining to Museums in India.
All-India Council for Technical Education	To survey the whole field of technical education in consultation with State Governments, examine and advise on such projects as are already under consideration by various Ministries of Government of India and conduct preliminary investigations with a view to ascertaining the conditions on which the authorities in control of existing technical institutes would be prepared to co-operate in all-India scheme.

All-India Boards of Technical Studies	To frame syllabi and regulations governing grant of certificates and diplomas in different States, make recommendations regarding appointment of inspectors and visitors, external examiners and assessors and suggest conditions for recognition of technical institutions.
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*Ministry of Transport and Communications (Department of Transport)*

Tourist Development Council	To recommend measures necessary for the promotion of tourist traffic within and from outside India.
National Welfare Board for Seafarers	To advise on all matters relating to the welfare of seafarers and organise particular activities or amenities for their benefit.
Consultative Committee of Indian Shipowners	To advise Government on matters of general policy relating to Indian Shipping.
Consultative Committee for Shipping Interests in Overseas Trade	To provide a forum for the discussion of shipping problems connected with the overseas trade, between the representatives of shipping interests concerned and those of Government.
National Harbour Board	To advise on matters of general policy relating to port management and development so as to ensure integrated consideration of all important port matters.
Central Advisory Committee for Lighthouses	To advise on erection, removal or improvement of lighthouses and make rules or rates of dues under the Indian Lighthouses Act, 1947.



Cochin Port Advisory Committee	To consider matters affecting the relationship between the Harbour Administration and the public, the leasing of land for business and industrial purposes.
Kandla Port Advisory Committee	To advise Government and guide the Development Commissioner, Kandla, on the various development plans so as to ensure ordered and expeditious progress according to an approved scheme of priorities.
Vizagapatam Port Local Advisory Committee	To observe and examine problems connected with the traffic at the port and suggest remedial measures.

*Ministry of Works, Housing and Supply*

Purchase Advisory Council	To advise Government on general policy and procedural matters relating to the Central Purchase Organisation as well as on development of industries through Government purchases and also in formulating the policy and procedure for disposal of Government surplus stores.
Landscape Committee	To advise Government on problems connected with the Landscape of New Delhi and Suburbs.
Advisory Committee on the decoration of important Central Government Buildings	To advise generally on selection of specific works of arts which May be carried out in the various important Central Government Buildings and recommend artists, who may be entrusted with the execution of these works.

*Ministry of Information and Broadcasting*

Hindi Advisory Committee	To advise Government on all problems relating to the use of Hindi by its different media units.
Central Programme Advisory Committee	To advise the All India Radio on the general policy and the composition of programmes broadcast in the home service.
Central Advisory Board for Music	To advise on music policy of the All India Radio in general and on the music programme in the home and external services of the All India Radio in particular.
Programme Advisory Committees	To advise on matters relating to programmes of the stations.

Consultative Panel for Educational Broadcasts	To advise the Radio Stations on educational broadcasts.
Rural Advisory Committees	To advise on rural broadcasts at various stations.
Scientific Advisory Committee	To advise on the programme of engineering research for All India Radio.
All India Radio Liaison Committee	To advise ways and means to bring down prices of radio sets and to standardise sales practices all over the country.
The Film Advisory Board	To approve for exhibition scientific, educational, news and documentary films.

*Planning Commission*

National Advisory Committee on Public Co-operation	To advise and guide Government in regard to measures to secure public co-operation and participation in all fields of national development throughout the country.
Technical Advisory Committee on Irrigation & Power Projects	To examine Central and State Government projects with particular reference to their technical and financial soundness.
<div> <div> Panel of Economists  Panel of Education  Health Panel  Labour Panel  Panel on Housing and Regional Planning  Panel of Land Reforms  Panel of Scientists </div> <div>}</div> </div>	To secure the association of officials and non-officials who have special knowledge and experience in their respective fields.

## THE MANAGEMENT OF PUBLIC ENTERPRISES—\*

### A Study of Some Aspects in the Context of the 'Socialistic Pattern'

*Iqbal Narain*

India has been slowly but steadily moving ahead on the road to "Socialistic pattern" which means more and more of public enterprises.<sup>1</sup> In the year of freedom a resolution adopted by the A.I.C.C. on the 17th November emphasized that "our aim should be to evolve... an economic structure which will yield maximum production without the creation of private monopolies and concentration of wealth... Such a social structure can provide an alternative to the acquisitive economy of private capitalism and the regimentation of a totalitarian state."<sup>2</sup> Again, in 1948 the Congress advocated a drift towards the public sector in the following terms :

1. "New undertakings in defence, key and public utility industries should be started under public ownership. New undertakings which are in the nature of monopolies or in view of their scale of operations serve the country as a whole or cover more than one province should be run on the basis of public ownership".....
2. "In respect of existing undertakings, the process of transfer from private to public ownership should commence after a period of five years".
3. "To secure efficient development and conduct of public-owned industries, suitable administrative agencies should be set up...."<sup>3</sup>

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\*Text of an essay which won one of the two second prizes in the IIPA Essay Prize Competition, 1957. No first prize was awarded. The other second-prize-winning essay (by Shri N. K. Bhojwani on 'The Problem of Administrative Tribunals') was published in Vol. IV, No. 2, issue for April-June 1958.

The words 'public enterprises' in the title have been deliberately preferred because they include both 'state enterprises' (enterprises originally started by the state) and 'nationalised enterprises' (enterprises taken over by the state from the private sector).

1. It may be pointed out that public enterprises do not result only from socialistic motives. They may be inspired by non-socialistic considerations as well. Important among these considerations are (a) fiscal, such as raising of general revenues; (b) security, such as minting of currency, conduct of defence industries, etc.; (c) development, such as hydro-electric projects of an under-developed country which are too big for a private enterprise; (d) social, such as New Deal Policy of F.D. Roosevelt, National Extension Schemes and Community Projects, which aim at social amelioration and reconstruction; and (e) political, such as the desire to secure a release of national economy from foreign domination, e.g., the nationalisation of Suez Canal. In England, such non-socialistic motives as centralisation, modernization and the like have served as factors helping nationalisation (G.V.S. Rama Sastri, "Managerial Implications of Nationalization in India and Great Britain," *India Quarterly*, Vol. XI, No.1, pp. 55-63.)

2. *Report of the Economic Programme Committee*, All India Congress Committee, 1948, p. 8.

3. Recommendations of the Economic Programme Committee, as approved by the A.I.C.C., Bombay, 1948. [*Resolutions on Economic Policy and Programmes, 1924-54*, New Delhi, A.I.C.C., 1954, pp.32-33.]



In April 1948, a clear statement of industrial policy was laid before the 'Dominion Assembly' which indicated India's bent towards the socialistic pattern and which committed her to a number of public enterprises :

"The Central Government decided that the manufacture of arms and ammunition, the production and control of atomic energy and the ownership and management of railway transport should be its exclusive monopoly. Further, in any emergency, the Government would always have power to take over any industry vital for national defence. In the case of the following industries the state.....would be exclusively responsible for the establishment of new undertakings : (1) coal...(2) iron and steel, (3) aircraft manufacture, (4) ship building, (5) manufacture of telephone, telegraph and wireless apparatus, excluding radio receiving sets, (6) mineral oils.

While the inherent right of the state to acquire any existing industrial undertaking will always remain, and will be exercised whenever the public interest requires it, Government have decided to let existing undertakings, in these fields develop for a period of ten years, during which they will be allowed all facilities for efficient working and reasonable expansion."<sup>4</sup>

The statement accepted 'mixed economy' as a suitable basis for the industrial development of the country, though it equally emphasized the state regulation of the private sector of industry as of basic importance to planned development.

This policy was accorded legal sanction by the Industries (Development and Regulation) Act in 1951. "The industrial policy of the Government of India pronounced last year had been endorsed by the House", observed Dr. Mukherjee, the Minister for Industries, on April 6, 1949, "and the Bill was only seeking to implement that policy by giving certain powers to Government which would make it possible to discharge their obligations."<sup>5</sup> The policy was also endorsed by the Planning Commission in its final report.

New strides in the direction of the socialistic pattern followed soon after. At the Ajmer session of the A.I.C.C. it was laid down that "the objective of the Congress is the establishment of a co-operative commonwealth and a welfare state."<sup>6</sup> At the same session it was also emphasized that "the country already has a powerful state-owned public sector in industry. This should be enlarged by the addition

4. *Ibid.*, p. 5.

5. *The Hindustan Times*, April 7, 1949.

6. *Congress Bulletin*, No. 5, June-July, 1954, p. 213.

of other basic and new industries, wherever possible.”<sup>7</sup> And at long last India committed herself to the socialistic pattern, when Sri Nehru moved and carried the following resolution at Avadi session :

“In order to realise the object of the All-India National Congress, namely, the well-being and advancement of the people of India and the establishment in India, by peaceful and the legitimate means, of a co-operative commonwealth, based on equality of opportunity and of political, economic and social rights and aiming at world peace and fellowship and to further the objectives stated in the Preamble and Directive Principles of State Policy of the Constitution of India, planning should take place with a view to the establishment of a socialistic pattern of society, where (a) the principal means of production are under social ownership or control. .”<sup>8</sup>

The Resolution not only committed India to the growth of the public sector but also advocated state regulation of the private sector which was to play a constructive role within the pattern of the plan. For the Avadi Resolution on economic policy stressed that the state will

- “...(ii) have overall control of resources, social purposes and trends and essential balances in economy;
- (iii) check and prevent evils of anarchic industrial development by the maintenance of strategic controls, prevention of private trusts and cartels, maintenance of standards of labour and production;”<sup>9</sup>

The basic idea of the Avadi Resolution has been well incorporated into the Second Five Year Plan which refers to it in these words :

“These values or basic objectives have recently been summed up in the phrase ‘socialist pattern of society’. Essentially, this means that the basic criterion for determining the lines of advance is not private profit but social gain. . . . . The problem is to create a *milieu* in which the small man who has so far had little opportunity of perceiving and participating in the immense possibilities of growth through organized effort is enabled to put

7. *Ibid.*, p. 216.

8. “*The Socialistic Pattern*” in terms of the Congress Resolutions, Indian National Congress, 1956, p. 1.

9. *Ibid.*, p. 36.

Also see Sri Nehru’s concluding speech on the Resolution pertaining to the ‘Socialistic Pattern of Society’ in the Subjects Committee’s meeting at Avadi : “We are laying stress on what we are doing and the fact that the economy is going to be, I hope, more and more based on the growth of public sector, where private sector has an important part to play. The point is this that we are tolerating something that we want to push out of the plan”. (*Congress Bulletin*, No. 3, April 1955, p. 245.)

in his best in the interests of higher standard of life for himself and increased prosperity for the country.....

For creating these conditions, the state has to take on heavy responsibilities as the principal agency speaking for and acting on behalf of the community as a whole. The public sector has to expand rapidly....."<sup>10</sup>

Thus India has been set on the road to more and more public enterprises.

## II

Though the new approach of public ownership is "argued in terms of public accountability, of planning against unemployment, of more opportunities for promotion by ability, of the extension of industrial democracy, and of general desirability of replacing motive of private profit by those of 'responsibility' and serve to the community,"<sup>11</sup> the public enterprises would not ring in the millennium by themselves, unless they are properly managed. The management of public enterprises is the key to their successful operation much in the same way as the proper control of the rudder is necessary to guide a ship in a definite direction. It is a difficult task and involves many risks. This is so because of several reasons. Firstly, the profit motive which accounts for keen supervision and control and good management in private industries is lacking in public enterprises. Secondly, the managers of the public enterprises in their enthusiasm to work as model employers might display utter disregard for the economic implications of the terms they offer; this would develop a tendency to be less resistant to the demands of the labour and thus inflate the wage, cost and price structure. Thirdly, public enterprises admit of no stimulus of competition and thus a complacency as to the quality of goods might develop. Fourthly, there is also the danger of excessive bureaucratic centralism, inflexibility, delay and insensitivity to consumer interests or the well-being and legitimate demands of labour under the impulse of uniformity, and strict adherence to rules and regulations. Lastly, there is a particular difficulty that India has to face like other under-developed countries and it is that the state has to start on a clean slate, having little by way of business skill and experience of a developed private enterprise to draw upon.<sup>12</sup> For all these reasons the problem of management is of basic importance in regard to the conduct of public enterprises.

10. *Second Five Year Plan*, Planning Commission, 1956, p. 22.

11. R. Jenkins, *Pursuit of Progress*, London, William Heinmann, 1952, pp. 97-98.

12. Cf. G.V.S. Rama Sastri's statement: "Nationalisation involves problems if it comes at a stage when the industry can be operated with a functional board and with little need for frequent changes in major policies. This envisages that the industry to be



## III

A discussion of the problem of the management of public enterprises should begin with certain *a priori* considerations. In what does the goodness of the management of a public enterprise consist in the specific context of a socialistic pattern ? The problem of good management here is not a problem of mere efficiency or maximum profits. The socialistic ideal aims at the elimination of class conflicts and securing for everybody his due. In its perfect form it should admit of no exploitation by the producers of the consumers and the labourers. In fact this is the paramount justification for a public enterprise. Due stress should, therefore, be laid on the satisfaction of consumers and the good of the labourers in determining the proper contours of management. Further, socialism also emphasizes democratic conditioning of affairs which means maximum of popular control and public accountability. Thus good management of public enterprise, according to the socialistic ideal, should consist in popular control of policy on the planning side, responsibility and accountability on the managerial side, and autonomy, efficiency, economy and above all consumer's satisfaction and labourers' well-being on the operational side.<sup>13</sup> The ideal is the end and one has to approach the problem of management with a view to fulfilling this end. Of course, all the aspects of the problem cannot be dealt with here. A modest attempt has, however, been

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nationalized must have reached a high standard of operating efficiency so that it is not liable to a recession in standards even after change has occurred in its ownership..... In Great Britain nationalization does not merely imply a change in ownership. It is more or less an advance in the spiral of industrial organization. Right from the days of the Industrial Revolution down to the present day, the industries have been making constant progress; and the industrial traditions which are typical of advanced countries like Japan and Germany, enable them to know what pattern of industry they should have and how much of each industry they should develop. This legacy of 'evolutionary knowledge' is completely absent in backward countries like India and China." *India Quarterly*, op. cit., pp. 55-56.

13. The ideal has been visualized in different ways : According to Herbert Morrison, "We are seeking a combination of public ownership, public accountability and business management for public ends."

According to Gorwala, "forms of organization which retain the flexibility and effectiveness of the best private enterprise within the broad framework of parliamentary and ministerial responsibility." (*Report on the Efficient Conduct of State Enterprises*, New Delhi, Planning Commission, 1951. p. 11).

According to the Planning Commission, the aim should be to secure in public enterprises the flexibility in operation which characterises private enterprise together with greater technical efficiency and responsiveness to public need." (*First Five Year Plan*, p. 89.)

In the words of Suresh Prasad Niyogi : "The success of public enterprises means the economic and efficient attainments of the targets set and the standards expected. This implies that the products must be according to pre-determined quality ; it must also be produced within the specified time. It has also to satisfy the consumers, the tax payers, the Government and Parliament. In short, the main problem of management of public enterprises is the problem of ensuring economy in management and quality of products." ("Management and Finance of Public Enterprises", *Indian Economic Association Papers*, Conference Number, December, 1954, p. 274.).

made to deal with four questions in this regard : (a) 'What form of management would be more suited to the foregoing ideal ? (b) Should there be a centralised or decentralised pattern ? (c) How should the consumers be associated and their interest best represented ? and (d) How should labour be given its due ?

#### IV

Let us begin with the question : What form of management would best suit the interests of a public enterprise ? This takes us to a discussion of the more important and popular forms of management :

##### (1) *The Departmental Pattern :*

Enterprises under this system are owned and managed as government departments in the form of a separate unit under a Board of Control or as part of a bigger congregation.<sup>14</sup> The outstanding feature of this system is full governmental control and responsibility. The policy and finance of the state enterprises are subject to sanction and control of the people's representatives sitting in the legislature. They are subject to accounting and audit controls applicable to other government departments. They are in charge of civil service men. Under this pattern thus "the government department is a strictly hierarchical institution at whose head is a minister answerable to Cabinet and to Parliament for its activities. The administration of the department is naturally largely in the hands of its senior civil servants and financial control rests with the Treasury."<sup>15</sup>

The system is already in vogue in India. Railways, post and telegraphs, defence industries, state trading in food, the Hirakud and Bhakra-Nangal multi-purpose projects, Chittaranjan Locomotive Works, D.D.T. Factory, Penicillin Factory, Government salt works, etc., are thus managed.

The departmental pattern on the whole stands discredited today. Firstly, it is contended that by its very constitution, it is likely to be inefficient. Owing to Government's full responsibility for such enterprises, there is strict parliamentary control and searching criticism on the floor of the legislature. As observed by Herbert Morrison,

14. For example, railways are managed as a separate unit with a separate railway budget and a separate Railway Board ; the Posts and Telegraphs Department is not a separate unit but an attached office of the Ministry of Transport and Communications (Department of Communications). The former form is preferable.

15. Hugh Clegg, *Industrial Democracy and Nationalization*, Oxford, Basil Blackwell, 1951, pp. 37-38.

"undue interference by the Minister would tend to impair the board's commercial freedom of action."<sup>16</sup> Secondly, the pattern would convert industrial democracy into a stronghold of bureaucracy. And bureaucracy is incapable of handling industrial enterprises by temper, training and experience. It is characterized by red-tapism, jobbery, corruption and too much influence of political bosses. The bureaucratic set-up is rather too rigid and this militates against the flexibility which is of basic importance for the conduct of a business concern. Long procedures and consequently long delays stand in the way of swift action which is no where so important as in a business concern. The bureaucrats' over-emphasis on caution, conservative temper, and 'through the channel mentality' do not leave even elbow room for refreshingly bold approaches, adventure and risk. Again, the civil servant as a rule ignores with contempt the needs and aspirations of the people. It is no wonder if the Seminar on the Organization and Administration of Public Enterprises in the Industrial Field held in Rangoon under the auspices of ECAFE found the departmental pattern replete with "red tape, inadequate service and insensitivity to consumer's good."<sup>17</sup> Thirdly, departmentally managed industries are also exposed to the danger of reckless adventure to which a party in power may resort, particularly when its position is at stake. Power in the industrial sphere may be used as a bait to win political battles. Fourthly, it is also feared that rhythmic vicissitude of political life might affect the continuity of interest and disturb the effective handling of the industrial enterprise which should, therefore, be kept at a respectable distance from the whirlwinds and storms of active politics as far as possible. It was for this reason that Barbara Wooton lamented, "if the existence of political parties does mean the right to change our mind about every thing every six months, then I am afraid it is incompatible with long-term planning."<sup>18</sup>

All in all thus the case against the departmental pattern is very strong; yet it can be profitably employed in certain specific cases. For

16. *Parliamentary Debates*, House of Commons, December 4, 1947, Vol. 445, columns 566, quoted by William A. Robson, *Problems of Nationalised Industry*, George Allen and Unwin, London, 1952, pp. 25-26. Cf. Mr. Attlee's statement as Post Master General in the Labour Government of 1929 that parliamentary interpellations lead to timidity in organisation.

17. Compare with this statement J.H.De. Nike's observation "One year upon a bureaucratic stage, the target of cat calls and cat-carasses would make most people into moderate and constructive critics of government". ("Notes on a Neophyte Bureaucrat," *Harvard Business Review*, Summer 1944p. 413). It is worth while mentioning here that an attempt has been made in Burma to remove these defects by establishing a governing Board or Committee for every state-owned factory under the control of the respective department. This Board enjoys a certain measure of freedom, though its important decisions still need the confirmation of the departmental head. The Burma pattern is only a slightly improved form of the system in so far as it is flexible and admits of quick decision and action to a limited extent.

18. *The Indian Journal of Political Science*, Vol. XV, No. 4, p. 335.



example, concerns where secrecy is a virtue or which are basic to security, peace and order have to be organised on the departmental pattern, e.g., defence industries, post and telegraphs, and so on. Similarly, the management of such industrial concerns as involve abundance of governmental discretion should be conducted on the departmental pattern. State trading in food stuffs is an illustration in point. Again, industrial projects, which are just in their infancy—more in their embryonic stage of planning than of ripe execution to admit of autonomous management—may be departmentally operated in the interest of healthy up-bringing and planned growth. River valley projects may be cited as an example. The departmental pattern should, however, not be adopted indiscriminately<sup>19</sup> and generally. It is well for the Government of India to follow A.D. Gorwala's advice that departmental management should just be rare rather than the general rule, and the cases where it is inevitable must be defined, isolated and kept down to the minimum.<sup>20</sup>

## (2) *The Operating-Contract System :*

This system involves state ownership and private operation or management with the willing acquiescence of the state itself. Under this system the state enters into a contract with an established private company for the erection of the plant, provision of technical advice and/or the operation of a public enterprise, itself agreeing to reimburse the contractor for the costs. Such arrangements are usually of a temporary nature and are generally hedged in with certain conditions, such as participation in the risk capital, terms terminable after a definite period, reasonably fixed terms for training of personnel and rewards for management and so on, so that the state may be left free to assume its charge finally, when it feels it has equipped itself for the job. A justifiable occasion for the adoption of this system arises only when there is shortage of technical and business skill and experience at the disposal of the state to manage it by itself. And this explains why it is at times resorted to by under-developed countries.<sup>21</sup>

India too adopted this system in certain cases, e.g., the Hindustan Housing Factory (from April 1953 to August 1955),

19. The application of the departmental pattern by the Government of India to Chittaranjan Locomotive Works, Integral Coach Factory, Travancore Rubber Works and the like cannot be justified on the basis of these considerations and hence is indiscriminate.

20. A.D. Gorwala *Op. cit.*, p. 15.

21. Strangely enough this system is very popular with the Defence Department of the U.S.A; perhaps the capitalistic foundations of the American economy account for this.

the Hindustan Steel Company at Rourkela, the Eastern Shipping Corporation and the Hindustan Shipyard Ltd.

Though the system makes available skilled and experienced hands, yet it is at best a transitional arrangement of limited use. Battles are not fought and won with the help of mercenary soldiers. The managers under the system have little personal interest which might serve as an economic incentive to ensure that the contractors would operate the enterprise with maximum efficiency and economy. Again, if this pattern is adopted permanently or generally, it would defeat the very purpose of a state enterprise which is state management and would mean a confession on the part of the state of its inability to cope with the burden of state enterprise.

### (iii) *The Co-operative Type :*

This system is a half-way house arrangement between capitalism and state socialism.<sup>22</sup> It postulates co-operation between private sector and public sector both in ownership and management. As regards ownership, usually a majority of shares are owned by the Government and the balance is left to be subscribed by the private sector. As far as the management is concerned, it is usually in the hands of the private sector under the strict and direct control of the government. The Government can reserve to itself the right to appoint the managing director, approve policies, etc. As the dominating share-holder, it can insist upon securing first hand knowledge of the way industry is conducted, of its plans for development and of its financial policies, suggesting improvements, stimulating new industries, and so on.

This system too has been adopted in India, though sparingly ; for example, in the Indian Telephone Industries Ltd., there exists, a partnership between the Government of India, Mysore Government and the Automatic Telephone and Electric Co. Ltd. was entered into in 1950. Again, there was, from April 1953 till August 1955, a partnership between the Government of India and an Indo-Swedish Firm in the Hindustan Housing Factory Ltd., on the basis of 50% shares each; in the Hindustan Machine Tools Ltd., 85% and 15% shares were held respectively by the Government and M/s Oerlikons, till the Central Government took over the entire subscribed share capital. Similarly, the Government of India and the Scindias combined in 1952 with 66  $\frac{2}{3}$ % and 33  $\frac{1}{3}$ % shares respectively in the Hindustan Shipyard Ltd., and with 74% and 26% shares in Eastern Shipping Corporation, in 1950.

22. The system is popular in Europe and more particularly in France. It is discarded in England.

The system has the advantage of easing the capital difficulties of the state. It also secures state control without exclusive state socialism. "The fact that the government-nominated chairman has to render an account both to the Government, which is the principal shareholder, and to the ordinary share-holders often compels him to be commercially honest and reasonably efficient in the administration of the enterprise over which he presides."<sup>23</sup> Further, the system while emphasizing the role of the public sector, also establishes links and co-operation with the private sector. Besides, the enterprise is managed on commercial lines. It is operated, financed and audited as a private limited company. And thus the system enjoys greater initiative, flexibility and singleness of action.

Yet the system only seeks the union of the irreconcilables. The private and public interests are competitive in essence and it is basically wrong to blend them together and expect whole-hearted co-operation and harmonious working. Again, the enterprises thus managed "become absolutely impervious to public control and public criticism and were as if kingdoms within kingdoms."<sup>24</sup> Moreover, "such industrial undertakings whittle away parliamentary control over public money."<sup>25</sup> It is no wonder thus if the ECAFE seminar looked upon this system as one presenting "vague and extremely difficult forms of organization and control."

#### (4) *Autonomous Management Pattern :*

Under this system a separate agency is created by a specific or under a general law of Parliament to conduct a public enterprise in its own name more or less on the lines of a business enterprise. They are autonomous institutions for all practical purposes. They manage their own accounts and are financed either from government loans or grants or they can also raise loans from public. Again, they are free to use and re-use their revenue. They are, however, expected to follow the directions of the Ministers concerned on a few specified matters and to be under the general supervision of Parliament of the country, so that they might not lose sight of the social purpose associated with a public enterprise. For example, the Ministers usually enjoy powers to appoint the members to the governing board and Parliament may scrutinize the report on the working of autonomous bodies. Autonomous management may assume either the form of a public corporation or a state-owned joint stock company.

23. "Management of Public Enterprises," leading editorial, *Commerce*, Vol. LXXXIX, No. 2264, July 1954, p. 50.

24. These words were used by Dr. Lanka Sundaram in the Debate on Public Corporation in the Parliament on 10th and 11th December, 1953.

25. P.K. Wattal, *Parliamentary Financial Control in India*, p. 164.



A public corporation is a corporate body which can sue and be sued, created under a specific act of Parliament with specific statutory powers and obligations and usually subject to taxation in the normal way. Certain characteristics distinguish a corporation. Firstly, the corporation owes its existence to a special act of Parliament and hence is rigid in structure. Amendments can be introduced into its constitution by amending the specific law. It does not mean that it is not subject to the ordinary civil or criminal laws of the land.<sup>26</sup> Secondly, a corporation has to stick to the end and purpose prescribed by the specific law that gave birth to it.<sup>27</sup> Thirdly, its personnel do not form part of the civil service. Fourthly, it has a self-contained finance, separate from the national budget, though it is still subject to a certain amount of Treasury control. Lastly, the corporation in a way admits of double government. A distinction is made between determination of policy and general management, the former being subject to ministerial and treasury control, while the latter is under the corporation.<sup>28</sup> "The Public Corporation is essential when the undertaking is discharging what is in effect an extension of the functions of the Government, e.g., irrigation and hydro-electric projects, dissemination of information as in broadcasting or any form of transport."<sup>29</sup> Two significant examples of this form in India are: the earliest, Damodar Valley Corporation set up in 1949, and the latest, the Life Insurance Corporation established in 1956. As far as the state-owned joint stock companies are concerned, they do not need a special act for their creation. By registration under the Companies Act, a state owned-joint stock company is born as a separate legal person. Its formation thus is easy. Normally state is the exclusive share-holder. Joint ownership is also permissible. Enterprises which are purely of a commercial character are

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26. The legal status of the corporation was well clarified in 1950 by the Court of Appeal in England in the *Tamlin V. Hannaford* case as follows :

"In the eye of the law the corporation is its own master and is answerable as fully as any other person or corporation. It is not the crown and has none of the immunities or privileges of the crown. Its servants are not civil servants and its property is not crown property. It is as much bound by Acts of Parliament as any other subject of the king. It is, of course, a public authority, and its purposes no doubt are public purposes. But it is not a Government department, nor do its powers fall within the province of government." (Quoted by W.A. Robson, *op. cit.*, pp. 40-41.)

27. Robson has called this feature 'disinterestedness' indicating thereby that a corporation is not interested in any other objective than the one allotted to it under the Act. It is, however, not a very happy epithet. (*Ibid*, p. 28).

28. Robson has very well summarised these features in his observation: "Corporation of the modern type is a constitutional innovation. It reveals a tendency to enlarge the unit of administration to a national or regional scale; to divorce the administration of industrial or public utility functions or the conduct of certain social services of an economic character from the ordinary activities of the government; to separate the finances of these boards from the national budget; to eliminate the profit making incentive and to substitute the public service motive." (*Ibid*, p. 32.)

29. A.D. Gorwala, *op. cit.*, p. 18.

preferred for this model. We have many examples of this pattern in India, and the Sindri Fertilizers and Chemicals Ltd., is the most well-known among them.

Many advantages are claimed for the autonomous form of management. Firstly, this pattern makes the management of public enterprises possible on the lines of a private enterprise which is the key to their successful operation. Secondly, the system provides for a healthy combination of autonomy with accountability.<sup>30</sup> Autonomy is the vital principle.<sup>31</sup> There are no vexations of bureaucracy, no parliamentary pin pricks, no harassing forms of financial control. Autonomy makes the system flexible. Economic life is essentially dynamic; it is full of changes which are both vital and rapid. The success of a commercial enterprise depends on quickly responding and adapting itself to this cycle of changes. This is possible only when the form of industrial organisation is devoid of red-tapism with its characteristic slowness of decision and action, or conversely speaking, it is autonomous enough to afford flexibility and easy adjustment. And this is what the autonomous pattern exactly aims at.<sup>32</sup> Again, accountability and control is equally important. "Out of the adequate considerations to national interest and the needs of national planning, we must have some means of public accountability and control—control is a continuous process of checking or encouraging...to be effective, it requires more information and a greater intimacy with the organisation concerned than is essential for accountability."<sup>33</sup> Further, as held by the General Council of the T.U.C. in their Interim Report on Post-War Reconstruction, it is also necessary "to provide for the ultimate responsibility of the managements of socialized industries to a Minister in order to ensure the proper co-ordination of their policies and that the industries are conducted in full accordance with the Government's general plans of the maintenance of employment, the control and location of industry and the furtherance of socially desirable

30. Writers have vexed eloquent on the importance of autonomy. For example, Dr. Herbert Morrison observed in the House of Commons in 1947: "A large degree of independence for the boards in matters of current administration is vital to their efficiency as commercial undertakings.....It would be contrary to this principle and to the clearly expressed intentions of Parliament in the governing legislations, if ministers were to give, in replies in Parliament or in letters, information about day-to-day matters. *Parliamentary Debates*, House of Commons, March 4, 1947, Vol. 445, column 566, quoted by Robson, *op. cit.*, pp. 25-26.

31. Similarly Robson holds: "If once the parliamentary questions were given free play over the whole field of activity of a nationalised industry, half the advantage of having a public corporation rather than a Government department would be lost." (Robson, *op. cit.*, p. 314).

32. Cf. Roosevelt's statement: "They are clothed with the powers of the government but possessed of the flexibility and initiative of private enterprise."

33. Hugh Clegg, *op. cit.*, p. 41.

expansion of production.”<sup>34</sup> The autonomous form of management provides for all this. The Minister’s hand in the appointment of the Board of Directors, their shares, both through the Board and direct, in the formulation of policy, submission of the annual report on the working of the enterprise and its scrutiny by a special committee of the legislature are some of the means to secure the desired ends of accountability and control.

The disadvantages of the autonomous pattern are more or less the same as of the mixed-ownership pattern. It is difficult to draw a line between policy control and management. The two overlap each other. This presents a possibility of conflict between the government and the autonomous management. Excesses may occur on both ends. There might be excess of autonomy and a tendency of utter disregard for accountability and control might develop, or there might be too much of state interference. And thus Government and the autonomous management might pose as rivals and accuse each other of excess, making it difficult to be discovered where actually the fault lies.<sup>35</sup> It is necessary, therefore, to strike a balance between autonomy and control, so that both remain real and none becomes arbitrary.<sup>36</sup> Given this balance, the autonomous form of management is the best of all. Again, Parliament should prescribe by law the cadres and grades of the employees, their conditions of work, etc., so that to minimize the chances of corruption and to develop a sense of security among the employees. It should also constitute a committee to examine closely the reports

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34. Quoted by Chester and Clegg in *The Future of Nationalization*, Oxford, Basil Blackwell, 1955, p. 44.

35. The Damodar Valley Corporation is an illustration in point. The Estimates Committee of the First Lok Sabha has, in its report on the Central Water and Power Commission and the Multi-Purpose River Valley Schemes, accused the D.V.C. of the excess of autonomy: “The autonomous character of D.V.C. has been taken to extreme limits. The D.V.C. has developed strange conceptions of its autonomy and tried to bypass the authority or the advice of the Government. Government in their turn have failed to keep it within limits although necessary power is vested in them under the Act to do so.” (Fifth Report, 1951-52, Parliament Secretariat, p. 53) Shri Gorwala, on the other hand, discovers that the fault lies at the door of the Government which is guilty of too much interference: “The history of the corporation since then appears to have been series of unedifying episodes in which, so far as one can make out, the corporation has had to use a great deal of its energies in attempting to maintain its autonomy, and sections of Government theirs, in attempting to reduce the corporation to the position of a department sub-ordinate to the Secretariat.” (A. D. Gorwala, *op. cit.*, p. 33.)

36. Cf. The statement of Mr. Ernest Davies; “The kernel of the problem is provision for safeguarding national interest without encroaching upon the administrative independence of the boards and usurping their managerial responsibility. Some control is essential, but its excessive use would diminish the autonomy of public corporations, which would undermine the very principle on which they are founded. Independence from Treasury control—that is, financial autonomy and freedom from departmental interference—is considered to be necessary to enable adequate flexibility in operation, which is itself essential, if initiative and enterprise are to be given full rein.” (Quoted by T.R. Sharma and S.D.S. Chauhan in “The State Industrial Enterprises in India, *Agra University Journal of Research* (Letters), Vol. V, January 1957, p. 40.)



on the working of autonomous bodies and offer comments. The reports must be submitted annually. Further, great care should be taken with regard to appointments on the Board of Directors. Men gifted with industrial statesmanship alone can cope with the challenge that public enterprises throw as regards their management and organization which is as difficult as carving out a new constitution for the country. They alone should be picked up without personal, sectarian or provincial considerations. As observed by Robson :

“All the experience we have so far had of nationalised industries serves to emphasise the crucial importance of the governing board. The success or failure of nationalisation is, indeed likely to depend more on the quality of the boards directing the public corporations than on any other single factor. For from this flow all the decisions on policy and administration which together make up good or bad management.”<sup>37</sup>

## V

After this long discussion on the form of management, we now turn to the issue of the protection and representation of the consumer's interest. The competitive zeal of the private entrepreneurs makes them often cater to the consumer's interest. But public enterprises are generally monopolistic and thus fear no competition. This gives them an opportunity to penalise the consumer by several methods, such as the addition to selling costs, monopoly profits, levies on consumers' preferences, and so on. It is necessary, therefore, to set up consumers' councils to look after the interests of the consumers.

The councils should be really representative bodies and not a mere assembly of officials or highly placed non-officials who are too distant from the consumers to know their real interests or represent them. The council should neither be a nominated one nor a directly elected one, because in both cases it would be reduced to a political, party or power organ, while the need is of a sober service institution. The only alternative is its election on the basis of proportional representation by the legislature. This would make it an institution 'of the people and for the people', non-partisan and independent to the maximum. The tenure of office of its members should be long, say seven years (even longer than the legislature itself) and the members should have the right to be re-elected. This would ensure that the council would become a store-house of industrial experience and would have an even tenure, not necessarily disturbed by the fluctuations at the polls.

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37. Robson *op. cit.*, p. 91.

The consumers' councils should be independent bodies attached to each public enterprise and granted a definite status of an advisory council.<sup>38</sup> Full details of policies, plans, costs and working should be made available to them. Their say should matter particularly with regard to quality of goods and prices. The council should have the right to submit to the legislature a quarterly report on its work, noting in particular the cases of difference of opinion with the Government. This would make its advice weigh with the Government and keep it up and doing in the right earnest. Further, it must enjoy the power to attend to the complaints of the consumers, enquire into them and pass them to the Government for redress with its own recommendations. Again, it should also acquaint itself with the needs and preferences of the consumers and recommend them to government for a sympathetic consideration. It should also explain the difficulties of the Government, if any, to the consumers in this regard, and popularise its policy on merits. It must have funds of its own. The officials of the council should be paid so that as whole-timers they may devote themselves heart and soul to their job and thus equip themselves to contribute their instructed judgment to the consumers' good. Thus also they would be in a position to give rational, studied and practical advice and offer constructive criticism. The ideal consumers' council has a double personality; it has to behave as a friend of the government and a trustee for the consumer. It is for this reason that the Government, as the arch-manager of public enterprises, should take them into confidence in the day-to-day activities, so as to enable them to appreciate its intentions, difficulties and limitations. This would strengthen the hands of the Government on the one hand and develop industrial democracy in the country on the other.

## VI

Now we turn to another question, that is, what amount of centralisation or decentralisation is desirable in the management of public enterprises ? This problem arises with regard to those industries which are big enough to admit of a network of units, spread far and wide in the country. The guiding motive here should be uniformity in policy control and institutional activities and autonomy in functional activities. For this reason, there should be one central Board of Directors attached to each public enterprise to lay down policy, regulate institutional activities and exercise control and supervision. Regional boards

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38. In England they are reduced to mere courts of appeal which are normally summoned to action when consumers, having failed to get satisfaction from the industry, make a complaint to the councils, which they pass on to the Minister. It is, however, not a healthy precedent to follow because it limits their action to a right of post-action review only.

under the central board should not be set up, unless there are very many units of a public enterprise; for they are uneconomical, diffuse responsibility, breed conflicts of jurisdiction and make co-ordination difficult. Mr. Gorwala's suggestion that there should be one central Board of Directors of six for the entire public enterprises operating in the country is not convincing. It would create a Leviathan without ensuring operative efficiency. Each public enterprise has problems specific to it and so a common central Board of Directors would not do. Further, the area of public enterprises is too vast and problems too complex to be coped with by one Board. Again, it would weaken the reins of control and supervision.

Last but not least in importance is the issue of the well-being of the labourers. The socialistic pattern of society without the labourer getting his due would just resemble an Egyptian mummy, rich in all the splendours of the living but devoid of life. In order to protect the interests of the labourer and to foster them, it is necessary to have representatives of the labour serve on the management of a public enterprise. For, as it has been observed by Laski, "classes excluded from a share in power have also been classes excluded from a share in benefits." They should have a say in determining the conditions of service for the labourer, say his wages, hours of work, leave rules, holidays, amenities for life, protection against exploitation, insurance against casualties and so on. But who shall elect these representatives? They should be elected by the trade unions. At the risk of digression, it may be pointed out here that the trade unions would no more be militant organizations arrayed against the management because there would be no class conflict in public enterprise under the socialistic pattern. Yet they would have a constructive role to play as labour welfare agencies and they should be recognized by the Government in that capacity. Besides, labour tribunals, having both the representatives of labour and management on it, should be established to deal with labour disputes equitably. Above all, the labour should be dealt with as human material and not as mere tools of trade and this would illumine the dream of a socialism with life.

## VIII

The foregoing discussion would show that the problem of the management of public enterprises is both difficult and taxing, particularly in the initial stages when it damps the ardour of even the most ardent advocate of public enterprises.<sup>39</sup> But here, as every where,

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39. Cf. the statement of Philip Snowden: "The advantage of nationalisation would not be immediately obvious, for it would take some time to get the new organization into successful working order" (*If Labour Rules*, p. 39).



time and spirit matters. India is just in a stage of transition and experimentation. Our attitude should be that of a relativist and a cautious imitator. We must not go after the British, French or American model blindly. We should profit by their experience and adopt that form of management which suits the genius of the enterprise and ensures industrial democracy with maximum of efficiency, labourers' well-being and consumers' good.<sup>40</sup> We have seen above that no form of management is absolutely good or bad. Yet, as efficiency and consumers' good are best secured when industrial management is enlivened with a spirit of freedom with responsibility, the autonomous pattern is certainly preferable.<sup>41</sup>

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40. Cf. The following observation made in the Report of ECAFE Seminar on Organization and Administration of Public Enterprises in the Industrial Field:—"It cannot be said that any one form of organisation is best for administration of public enterprises in all countries and under all circumstances. All factors need to be weighed in selecting the form of organisation for a particular enterprise, including the nature of the programme, operating and financial requirements, the impact on the national economy, types of operations, the political climate of opinion and the availability of competent personnel". (*Some Problems in the Organisation and Administration of Public Enterprises in the Industrial Field*, United Nations Technical Assistance Administration, New York, 1954, p. 16).

41. Cf. the statement of Mr. Appleby: "For purposes of introduction it remains only to emphasize the view that there is special validity, particularly in India and particularly just now, in the application of the conception of autonomy to the government's industrial and commercial undertakings.....India is in fact in a state of emergency quite comparable to the condition that would obtain if the nation was at war. Its success in this emergency depends upon rapid decision-making, rapid action. The present emergency is most acute on the front where new enterprises are in the building. As in war, the emergency dictates the establishment of procedures that have a maximum potential of acceleration consistent with the maintenance of democratic values." *Re-Examination of India's Administrative System with Special Reference to Administration of Government's Industrial and Commercial Enterprises*, Cabinet Secretariat, p. 6).

## PLANNING FOR A REGION

*Rana K. D. N. Singh*

AS, with the passage of years, the role of planning assumes greater significance in this country, an important but little recognised level of governmental planning, that of planning for a region, will have to come into greater play if a planned approach is to become fully effective. The need for a regional approach arises from the fact that a large number of subjects and problems are not large enough to demand national action but are, at the same time, too extensive for effective action to be taken by the individual states and other governmental organisations. It is often overlooked that the major problem areas extend beyond state boundaries and yet are not so extensive as to justify action directly by the central government nor is there any other governmental agency which can deal specifically and from an overall point of view with the problems of such areas. The importance of regional planning is derived from the fact that while planning in this country today relates to planning in respect of watertight, state-wise or, at the narrower level, district-wise, compartments, a very large number of the major problems of planned development necessitate the closest possible collaboration between the various states or district units as the case may be. The entire concept of regionalism stems from the realization that important development sectors of the economy often present problems which extend beyond the boundaries of component states or smaller administrative units. In fact, whenever the central or state governments come directly into contact in the field of natural resources, the problem of regionalism almost invariably tends to emerge. The state and district boundaries, fixed for administrative and political reasons, are rarely co-terminous with either the areas of human and natural resources or with the problem areas that may require special treatment.

The concept of regionalism has been variously defined from various points of view. From the planning viewpoint, regionalism must be viewed from the standpoint of resources, both human and material, and output. A region, from this viewpoint, must be considered as a geographical area in which the material resources of various categories together with the human factor are in a position to combine in the most harmonious and optimum relationship. It is important, in this context, to stress the human factor also as planning cannot be realistic or really effective unless this aspect is given proper emphasis,

whatever may be the relationship between the material resources pertaining to a particular region. In order that regional planning may be most effective, a region must possess certain basic and definite characteristics. The area should be as compact as possible and should possess the maximum degree of homogeneity. It should include all the territory containing a major combination of resources and should include whole problem areas as far as practicable. It should also be such an area where it would be possible to develop, over a period of time, a certain degree of regional identity in order that the provincial bias of the people in the region does not invariably overshadow the needs and requirements of a regional approach. While the fact of strong provincialism in this country cannot, and should not, be ignored, it would also not be proper and correct to assume that no regional approach could succeed in India because of the provincial bias and prejudices that exist in this country at present. It is important, in this context, to note that the States Reorganisation Commission fully accepted the important role of regional planning in this country and the need for adopting such an approach. It would be an extremely defeatist attitude to assume that regionalism would fail in this country against the bedrock of provincialism.

At what level, from the territorial point of view, should the regional approach make itself felt? Regional planning in the context of the region's size must be conceived, programmed and executed at two levels. On the one hand, there should be regional planning at the wider level encompassing large homogeneous tracts extending beyond state boundaries. On the other hand, the problems of regional planning also present themselves and should be sought to be tackled at a much narrower, territorial level within the boundaries of various states.

As far as the boundaries of a region, in the wider sense, are concerned, it is important to remember that any discussion of regional planning in a federal system of government would be quite unreal unless full account is taken in the relationship between component states and any regional units which would extend beyond state boundaries. There can be no doubt that while the problems of planning relate to physical and geographical factors and their relationships with one another, the question of implementation raises a number of factors such as financial contributions from the beneficiary units, availability of managerial staff and labour and a number of other factors which are exclusively under the control of the various states. It would be quite impractical and unrealistic to expect that the mere creation of a regional planning and execution unit would bring about regional planning without not only the goodwill but the most active co-operation from the various states forming the regional unit.



Inter-state co-operation is not only a desirable ingredient of regional planning but an absolutely essential prerequisite.

The question that poses itself in this context is as to whether a regional approach should be sought to be achieved through the creation of specific, regional divisions each with its own regional authority with extensive and clearly defined powers over the various component states or whether the goal should be sought to be achieved through a fairly loose form of voluntary inter-state co-operation over a certain field, which itself may or may not be defined specifically.

## II

The experience of the United States in the matter of regional planning is very useful in this context. Regional planning, apart from metropolitan planning, took three main forms in that country. Firstly, there were the joint bodies set up by the various Federal departments for the purpose of investigation of the scope and direction of regional planning in particular states. A similar approach was made in the creation of *ad hoc* Regional Planning Commissions at the instance of the National Resources Planning Board, a centralised planning agency which functioned from 1934 to 1943 and which did a great deal to focus attention on regional planning. The two Regional Commissions which showed considerable promise were the New England Commission and the Pacific North-West Commission. Designed as agencies for collaboration and co-ordination in respect of the planning programmes of the various states, these agencies conducted comprehensive surveys and collected a mass of useful data on the basis of which they recommended certain lines of policy. Their activities did not, however, go beyond emphasising the directions that planning and resource development should take. These bodies, created on a voluntary and semi-official basis and without any statutory powers could not hope to be more useful or successful. Their inherent weakness lay in their inability to make their findings and recommendations effective and acceptable to the state authorities concerned. Such agencies can do useful work in respect of investigation and collection of data but cannot hope to make regional planning a reality.

The second form of regional planning in the United States took the shape of semi-autonomous regional agencies of which the T.V.A. is the classic example. The T.V.A., apart from being a regional planning agency, was also empowered by statute to put its plan into execution and was given both statutory powers and responsibilities for the development of the entire region constituting the Tennessee

watershed, its powers not being confined only to the making of plans but including the execution thereof. The T.V.A. was an experiment in regional planning in its purest form and proved extremely successful. The credit for its great success was not, however, so much in its statutory organisation as in the manner it set about tackling its multifarious problems. Instead of setting itself up as a separate and self-contained organisation cutting across the channels of other departments in the field, the T.V.A. sought, from the very beginning, to act through and with the various other departments and agencies working in that area. Its efforts were never to supplant any other agency; had it tried to do this, it might have proved a failure. At the same time, it did far more than supplement the efforts of the other agencies and not only did it knit them up together into one co-ordinated team for the execution of different parts of one overall developmental programme but gave their efforts an entirely new shape and direction in the extensive area over which it extended. Thus the T.V.A. gave far more than the sum total of the network of dams, canals and power houses that came up in the Tennessee Valley. Undoubtedly, the T.V.A. serves as an excellent model for regional planning institutions in other countries but, at the same time, it must be remembered that its success was far more due to its excellent management and administration rather than because of its inherent statutory set-up. The T.V.A. principle cannot be applied in the case of every region nor can it even be used in the case of every watershed area. There is no doubt that the glamour radiated from the success of the T.V.A. is very attractive, particularly in under-developed countries such as India but it is well to remember that despite its success, this inter-state organisational method has not again been applied in the United States though requests for the establishment of similar organisations in other parts of the U.S. have been made from time to time. Of course, the pressure interests from important private groups and that of the federal departments which, by and large, resist the creation of such an all-embracing, multi-purpose organisation are far stronger in the U.S. than in a country such as India. In fact, in India there is no corresponding departmental agency comparable to the huge, single-line Federal departments in the United States. These latter departments, dealing with single subjects such as land, forests, reclamation, agriculture and the like are centralised in Washington and operate through a network of regional headquarters all over the country. These departments are, however, too centralised and their regional offices are created on purely administrative considerations and bear little relation to regional requirements. Though there are few private pressure interests and no federal departments to oppose the establishment of a semi-autonomous regional agency such as the T.V.A., or the D.V.C. in this country, this form of regional

organisation should be set up only in respect of watershed areas, the boundaries of which extend beyond the boundaries of more than one state and only under special circumstances when all the factors are considered as being conducive to the efficient functioning of such a statutory, multi-purpose organisation. The great success of the T.V.A. should not blind us to the obstacles that stand in the way of such an organisation proving a successful unit of regional planning when the region extends over more than one state. The problems and difficulties which have faced and which continue to beset the D.V.C. are very useful and suggestive pointers in this regard.

The third kind of organisation for regional planning, at the wider level, which has been tried out in the United States are the inter-state planning agencies which have been established either voluntarily or through inter-state compacts. This organisational device has proved very useful in the United States in connection with various non-developmental matters such as boundary disputes, cession of territory, taxation and utility legislation and the like but has proved to be of little utility when applied to multi-purpose programming and development. The most striking example of the use of this method was in the case of the Colorado River Compact, many years ago, where seven states agreed to work out a compromise scheme for distributing the waters of the Colorado river. The actual experience of the Compact, however, was very disappointing and even the Resources Planning Board had to admit that the method was impracticable when the compacting authorities were not willing to delegate the necessary authority to this agency to enable it to accomplish the purpose for which it was created. The inter-state compact could not prove successful when it was attempted to be used for the purpose of continuous and progressive planning activity because the state governments, being the deciding authorities in the matter of additional grants and in respect of most of the actions of the executing agency, the Compact could not go ahead independently in the implementation of any regional programme.

### III

The American experience in the field of regional planning has amply demonstrated that the most essential factor in the success of regional planning at the inter-state level is the active and willing co-operation of the states composing a region. At the same time, a voluntary and loose compact between the states does not adequately serve the purpose and it is necessary to arm the regional authority with adequate powers to enable it to function effectively.



In what manner can the American experience in this field be profitably applied to this country? The federal system of government, the autonomy of the states over an extensive field of subjects, the considerable disparity in the development of various areas of the country all create problems which are also found in the United States. In India, however, we have one important advantage. In the last decade, planning has become, for the most part, a centralised function and the Planning Commission exercises very considerable authority over the plans of the various states. The necessary groundwork has, therefore, been laid and it should not be too difficult to give state planning a regional turn. As against this, we have the corresponding disadvantage of extreme provincial loyalties which may militate against any regional approach. This necessitates a slow and gradual approach. The creation of the Zonal Councils in the various parts of the country will undoubtedly go a long way to preparing the ground for a regional approach and is an important step in the right direction. It should not, however, be looked upon as an end in itself. Left to itself, it might become a ponderous and low-moving machinery whose energies would largely be frittered away in discussions of disputes of various kinds as may arise among the various states. Unless a strong super-structure of a regional planning organisation is built up as part of the Zonal Councils, this novel and extremely useful experiment would serve little purpose from the viewpoint of planned development.

The Zonal Councils have undoubtedly created a basic regional organisation within the framework of provincial autonomy. The next stage is to create a regional planning organisation within the Zonal Council, an organisation that can be fully utilised to meet the needs of the regions within the group of states that constitute a zone. The Zonal Council cannot, at least for some considerable time to come, be looked upon as a regional governmental organisation except in the strictly literal sense. For the present, it must be considered as a loose inter-state compact for the solution of such inter-state problems as may emerge from time to time. The regional planning agency under the Zonal Council would have to be an agency with specified scope and powers. These agencies may be termed as Zonal or Regional Planning Commissions and though they need not be created by statute, they should be built up in such a manner and given such powers as would enable them to ensure that their recommendations are given effect to by the various states. The Zonal Planning Commission should be composed of one representative of each of the component states with the same number being appointed by the Planning Commission, one of the latter being the Chairman of the Zonal Commission. Such an organisation would ensure an overall approach to the problems

of the region and would also provide for adequate representation for the viewpoints of the component states. It does not follow that the group-of-states area to be covered by Zonal Commission would automatically be the same as the area covered by a particular Zonal Council. A particular Zonal Commission should extend to a group of states within a Zonal Council but should also, as far as possible, be confined to an area whose factor resources are fairly homogeneous, whose territory is fairly compact, which has fairly good communications within, and other such considerations which would enable it to function efficiently as a composite regional unit. It should, at the same time, be perfectly compatible to have two Zonal Planning Commissions in respect of states coming under the purview of one Zonal Council. For example, the Eastern Zone should be divided under two Zonal Commissions for the purpose of regional planning, one covering the states of Bihar, West Bengal and Orissa while another would cover the areas of Assam, Manipur and Tripura, which owing to their stage of development as well as their geographical location should be dealt with on a separate footing from the other states comprising the Eastern Zone. Then again, areas such as Jammu and Kashmir which require specialised treatment should also be kept outside the Zonal Commissions and dealt with on a separate footing.

The next question for consideration is the role and functions that should be discharged by the Zonal Commissions. Since the Commissions will extend over more than one state, it would not be advisable to make these into strong executing agencies as then there would be likelihood of conflict between the Commissions and provincial loyalties. The Zonal Commissions should be inter-state planning organisations but their activities should be directed towards general policy planning and they should not become responsible for detailed execution. It is not suggested that each Commission should be armed with extensive and detailed powers such as have been given to the D.V.C. The functions of the Zonal Commissions would be to conduct comprehensive investigations into the physical resources of their respective regions, to formulate broad regional plans, of which the state plans would form an integral part, in respect of various developmental items such as industries, agriculture, communications, water and land resources and the like; to exercise general supervision over the plans which would be executed in the various states such as the Planning Commission does today; and thereafter to evaluate and review the state plans and programmes so as to ensure that its recommendations and plans are actually carried into effect. The task of regional planning in India is of co-ordinating the decentralised state units into one unit aiming at uniform regional development.

A strong regional organisation of this nature which would be in a position to function effectively as a controlling and reviewing agency would avoid the weaknesses inherent in both the inter-state compacts and the regional boards and commissions created in the United States. Through its reviewing and directive powers, such a regional organisation could exercise quite enough authority to ensure that the regional interests would not be subordinated to the narrower interests of the various states. The relation between the Central Planning Commission and the Zonal Commissions would be somewhat similar to the relation to the Planning Commission with the various states at present in so far as financial allocations were concerned, each region being given such allotment as would be considered necessary for the uniform development of the region and so as to bring it on par with the more advanced and industrialised areas of the country. Thereafter, there should be the maximum delegation to the Zonal Commissions in the matter of drawing up, modifying and reviewing their respective regional plans. This would mean a decentralisation of the planning function, a very desirable end in itself, down to the regional level, where it would be expected to operate best.

It is perhaps likely that, in the initial stages, there may be some degree of conflict between the Zonal or Regional Commission, and the component states, but these would, in time, be resolved, with a gradual appreciation of the usefulness and advantages of a regional approach as against a purely state-wise approach. In any case, the proposal does not envisage anything very radical. For the most part, the functions performed at present by the Planning Commission would be performed by the Zonal Commission, which by its very nature, would be in a better position to plan and review the development programmes than either the states or the present centralised Planning Commission. The Zonal Commission would act as a clearing house for planning programmes within the region and would also function as a very useful intermediate agency between the states and the Planning Commission.

While it has been indicated above that the Zonal Commissions should not be made responsible for the actual execution of the regional plans drawn up by them, it is necessary to examine as to the manner in and the agency through which such regional plans should be executed. Except in exceptional circumstances it would be desirable if the regional plan was split up, in the first instance, into state plans for the purpose of actual implementation. At the state level, however, there is again scope for bringing in the regional concept. At present, the state plan is, in turn, divided up into district and sub-divisional plans going down to even smaller levels in terms of territorial planning while the actual



execution, for the most part, is taken up at the district or sub-divisional stage. This kind of planning seeks to bring to a uniform level, as far as possible, all the various sub-divisions in respect of the facilities provided through the various development sectors. Such an approach, however, militates against a full and efficient exploitation of the resources of the region of which the district or sub-division forms a part. For example, an area comprising more than one district may have greater scope for agricultural development than the neighbouring regions. A regional approach would ensure that such an area would be given a greater agricultural bias than other regions within the state, while in the other inter-district regions emphasis would be given to those productive aspects of planned development for which the particular region is best suited.

This brings us to regional planning at the narrower level of planning for the regional development of areas which by and large fall within a particular state.

#### IV

In the United States, regional planning, for a long time, was synonymous with planning for metropolitan regions around the major cities. In agricultural countries such as India, the development of the compact, rural, village communities under a programme such as that of community development could also be considered as falling under the general category of regional planning. This method of demarcating the smaller territorial region is really on the basis of administrative convenience and necessitates operating through centres located by and large in the larger towns and villages each of which has a tract of territory attached to it, more or less on an arbitrary basis, according to area and population. This kind of a real demarcation is the most easy to formulate and forms the basis of our present-day district planning but this cannot be considered as being a really scientific method as it is quite unrelated to the factors of resources and output, which, in the ultimate analysis, can serve as the only proper and scientific basis for regional planning at the narrower level. Any division based on administrative convenience cannot, for obvious reasons, express the areas as regional entities and the chances are that, following this method, the difficulties of effecting any regional balance are multiplied. Once a development programme is thought of in terms of, say, a district and sub-division or even in terms of a village or *mouza* it cannot easily be transformed into a plan for a region or sub-region of which the district or sub-division may form only a part.

The only scientific method of demarcating a region, at the narrower level, would be to divide the wider region which may or may not extend beyond state boundaries, on the basis of single functions within the component state units. This would mean a division into agriculture regions, watershed regions, industrial and manufacturing regions and the like, all within a state and all, at the same time, within the overall regional division which may extend over more than one state.

An even more scientific regional demarcation, at the narrower level, would be to effect such demarcation in terms of composite planning problems. This, however, necessitates the collection of sound, comparative data regarding both the sociological and material factor-resources of different areas and putting these together, and only thereafter dividing the bigger region into smaller composite regions which may or may not cut across state boundaries. Such data is not only not available in this country at present nor is likely to be available in the near future but a demarcation based on purely material and resource considerations in various small inter-state units would bear absolutely no relation to the present-day political division of the various states and would create administrative problems of a very great magnitude. In India today, it would just not be practicable.

At the narrower level of regional planning, viz. that of dividing the large, overall region into smaller component units for the purpose of planned development, therefore, the most desirable and, at the same time, practicable basis of demarcation would be on the basis of single functions within the different states. This would mean that for the purpose of actual planning operations, the unit would take the form of a more or less composite unit based on any one function such as agriculture, or even a particular kind of agriculture such as jute or cotton cultivation, or a river basin area and the like. There would naturally be no fixity regarding the size of such sub-regions as this would be entirely dependant on the various natural factors. Here too, however, it would be important to give due consideration to the human element. Even though a river watershed area may extend over two or three states and the most optimum demarcation of such a sub-region would necessitate cutting across the boundaries of more than one state, it might prove desirable, from the practical point of view, not to follow up such a division to its logical conclusion if it was felt that provincial feelings and considerations would operate strongly against the efficient functioning of such a sub-region. Sub-regional planning over inter-state areas must be allowed to evolve by itself and should not be forced from the top because, in the ultimate analysis, it is at the sub-regional level that regional plans will have to be executed

and, at this level, the states must be made responsible for execution. Normally, therefore, the sub-region for the purpose of execution should be confined to the boundaries of one state. In states of the size as exist in India, there would be only a few examples of sub-regions divided on the basis of single functions which would extend beyond the boundaries of any state. Of course, there would undoubtedly be some such cases for example, the coal areas of Bihar and West Bengal or the Damodar watershed region covered by the D.V.C. but in the greater majority of such cases also, it is unlikely that provincial considerations would operate too strongly. At the sub-regional level, what is visualised is a number of units based on single functions which would serve as the actual units of planning operations and the boundaries of which sub-units would normally be confined to a particular state and would extend beyond the state only in such circumstances when provincial feelings would not operate against the working of such sub-regions. The sub-regional unit should ultimately replace the present-day district and sub-divisional units in so far as planning operations are concerned and in place of the district and sub-divisional plans we should be having sub-regional plans.

Since the sub-region would be created on the basis of a single function, for planning purposes it should have associated with it an officer concerned with that particular function though the overall charge may still be left to the non-technical civilian. For example, the plan for an agricultural sub-region which may extend to cover two or more districts should be drawn up by an officer of the Agriculture Department who would, under the general supervision of a Regional Planning Officer, be responsible not only for planning the programme in respect of this region but would also be responsible for its execution. The sub-regional plan would then be given its proper bias and emphasis in respect of the function for which it is best suited. This would not naturally mean that all development activity in the sub-region would be confined to only one function to the exclusion of other activities. Other aspects of development would also be given their due importance within a particular sub-region but these programmes would be drawn up and oriented in a manner best suited to the most efficient development of the function which forms the basis for the division of a particular sub-region.

At the present moment, our planning particularly at the lower level is too diverse and after these years of all round planning it is now necessary to introduce an element of selectivity and to concentrate on the development of particular productive functions for which particular areas are best suited. This would undoubtedly constitute a basic difference in our planning approach but



such an approach has become absolutely essential for the best utilisation of our limited financial and other resources. Planning from the bottom can become most useful only if it is conducted through a sub-regional agency, concentrating on the development of a single productive function. So far, for the most part, planning has been, to a considerable extent, from the top as a result both of limited resources and of the necessity of allocating priorities from the higher levels. If planning is truly to be from the bottom, that is from the village panchayat upwards, it would be bound to result in unit planning in its most diversified form and would correspondingly make far less impact on the overall economy of a particular area and would also contribute far less to the productivity of the area than if the plan for the area was drawn up on the basis of the chief resource-factor or factors of the area and designed to bring about the maximum productive development of such resource-factor or factors.

From the execution point of view, such a sub-regional approach would not mean very much modification of our present set-up. The administrative, district-wide divisions would remain untouched and would continue to be utilised by the sub-regional agency as far as possible. Only the planning set-up at this level would be entirely altered and the sub-regional plan would be drawn up and executed on the basis of the sub-regional unit. In detailed execution, the district and sub-divisional level officers would continue to discharge the supervisory functions they are doing at present, the only difference being that the overall supervisory function would be given to a Regional Planning Officer assisted by a technical officer having specialised knowledge regarding the function or functions for the development of which a particular region is considered most suited.

## V

The regional administrative arrangement, as outlined above, would undoubtedly mean the creation of another tier in the structure of planning administration. It is necessary to ensure that this does not result in a greater bottleneck and more delay in respect of sanction for projects and programmes. This can only be done if there is maximum delegation of power all along the line. The Central Planning Commission should be responsible only for (i) laying down broad, general policies for the country as a whole and for particular regional areas in particular and (ii) indicating the broad, financial framework within which regional plans for various groups-of-states regions should be drawn up. Thereafter, the actual drawing-up, implementation and even review of the regional plans should be a matter entirely left to the

discretion of the Zonal Planning Commissions who should also be able to make alterations and modifications in the regional plans whenever considered necessary. The Zonal Commissions must be considered as integral parts of the Central Planning Commission but the latter's decision should only be invoked if, owing to differences between the states, the Zonal Commission is not able to arrive at any satisfactory solution regarding any project or programme. It is likely that, after an initial period of two or three years, references by the Zonal Commissions to the Planning Commission regarding details of execution of their respective plans would be reduced to the barest minimum. At the lower level, that of the sub-regional unit also, there should be the least interference and the maximum delegation of financial and other powers. The Regional Planning Officer should be empowered to make such deviations and modifications in the original sub-regional plans as circumstances may necessitate and the Regional Advisory Board, on the lines of the District Development Boards, may approve. The role of the various state governments at the state level in respect of details of projects and programmes would naturally be greatly circumscribed but would find full and adequate expression both at the sub-regional and the regional levels.

While little difficulty is anticipated in setting up the regional planning structure at the Zonal Commission stage, particularly now that Zonal Councils have come into being, some practical difficulty is bound to be experienced particularly in the initial stage of demarcating and setting up the sub-regional units within different states. This follows from the lack of an adequate body of theoretical knowledge relating to the manner and methods by which the various small regions and sub-regions can be efficiently studied and worked upon. It has to be carefully examined how particular aspects and problems, for example, the mitigation of unemployment and distress in particular localities, the role of cheap electrical energy in rural communities, or the multi-purpose development of small watershed areas and the like can be effectively dovetailed into one overall, sub-regional pattern. It would undoubtedly be a somewhat difficult problem as to where and how to make a beginning. How would the area of a sub-region be defined, in what manner would the development activities in a sub-region, demarcated on the basis of some single function, be linked with the activities in other sub-regions marked out on the basis of some other development function or functions, to what extent would the single-function approach be pursued to the exclusion, by and large, of other developmental activities, are all questions which crop up as soon as the regional concept is sought to be introduced in the field. The only solution to meet these problems is to conduct extensive

research through regional pilot projects, specific resource studies and regional investigations under the state governments, with the Zonal Planning Commission as the advisory agency in each case. With the knowledge gained from the working of such pilot projects and studies, it would be possible to build up a considerable body of knowledge to meet the varying circumstances and conditions obtaining in this country.

At the same time, the above difficulty should not be given more importance than it deserves. Once the Zonal Commissions are set up and the state governments accept the regional approach, it should not be difficult to divide a sizable portion of the states into fairly homogeneous sub-regions on the basis of, say, watershed areas, geographical compactness and agricultural or industrial potentialities. The example of the Lower Colorado River Authority in the U.S., which took up the multi-purpose development of a large watershed area in one state very successfully, indicates the scope of regional planning within the boundaries of one state. A number of multi-purpose projects are being taken up in various states of this country and these will undoubtedly serve as pioneers in regard to regional planning in the field. It is necessary now to build up a strong superstructure of regional planning and administration on the twin foundations of the Zonal Councils, on the one hand, and the large number of multi-purpose developmental projects springing up in different parts of the country, on the other.





## FORMS DESIGN—A Short Note

*J. B. D'Souza*

SO much of government work begins and ends with forms. In many of one's approaches to government offices, one is asked at once to fill out forms. And every one has undoubtedly been perplexed over the entries he should make against some of the questions in the forms he has to fill. Forms are thus a handy instrument in administrators' hands, a means of collecting and standardising data, a means of orderly classification.

Precisely because they are so widely used, their composition is taken very much for granted; forms, including questionnaire forms, evolve in a rather haphazard manner. This has two major disadvantages. Forms that are not carefully thought out and nicely worded baffle the person who has to fill them out; secondly, they are far less useful to the office staff that use them than they can and should be.

A great deal has been written on the technique of designing forms and questionnaires. Here I do not propose to do more than to show by a simple but remarkable illustration how a carefully designed form can cut out needless work and reduce a task to a fraction of its present dimensions. My purpose is simply to call attention to a much-neglected area in the administrative field, where forethought can minimise office work.

### The Problem

State Government officials who are appointed to posts in Bombay City apply to the Controller of Accommodation for residential accommodation. The office lists their names, and ultimately allots some requisitioned premises to them. Originally this was the form of application in use :

#### *FORM OF APPLICATION FOR RESIDENTIAL ACCOMMODATION*

1. Name and address of applicant :
2. Occupation (in detail) and office :
3. Present pay including allowances etc., or income. (Please state your basic pay and allowances separately) :
4. Single or married ;

5. (a) Number of members in applicant's family :  
 (b) Their relationship with the applicant :  
 (c) Names of employers of earning members if any, and their monthly income.
6. How long has applicant been in Bombay ? If on transfer, from where and whether he had given up accommodation at the previous station. In case of a transferred Government Servant, please state the exact address of the premises occupied by his predecessor and whether they were requisitioned or not. Also state its rent :
7. How long is applicant going to be in Bombay ?
8. Where or with whom the applicant is staying at present ?
9. Details of accommodation now occupied by applicant and persons, if any, with whom the applicant is staying :
10. Minimum accommodation required by applicant :
11. Maximum amount of rent applicant is willing to pay :
12. Whether willing to share accommodation with others ? If so, with whom ?
13. Vegetarian or non-vegetarian :
14. The locality in which the applicant prefers accommodation :
15. Any special circumstances applicant wishes to urge in his favour :

I herewith forward the undertaking duly signed by me and witnessed by the head of my office, indemnifying the Governor of Bombay against any claim for compensation by the landlord in respect of premises that may be offered to and accepted by me, then subsequently rejected.

*Applicant's Signature.*

After an application entered the office and reached the assistant assigned to this work, the latter prepared a 'note' commenting on the application. Generally it was his job to examine in the note whether the application was complete and the applicant eligible for registration. Here is a typical note :

"Submitted with reference to the application of Shri. ....  
 at p. 3 ante.

Shri. .... is a T.G.S. from Hyderabad. As regards his predecessor's premises, he states that he has been in a newly created post. However, this has not been confirmed by F.D. where he is working. We may get it confirmed by F.D. In the meanwhile we may take up the question of his registration. His basic pay is Rs. 600 and special pay is Rs. 150/-. He is, therefore, eligible for accommodation, rent of which is up to Rs. 187-8-0. He is willing to pay rent up to Rs. 200/-. His I.B.

is at p.13. He may, therefore, be registered as '7-P-fresh' and informed accordingly."

Before he could write this note, the assistant would have to peruse the application carefully. Altogether, the operation would occupy at least 20 minutes.

The application and the note would then go to the Superintendent or Officer for approval of the action proposed.

### Solution

The task was studied carefully with a view to simplification. Then the job of this assistant was simplified, by the introduction of one new form and the rationalisation of the existing application form.

#### I

Here is the new application form :

#### FORM OF APPLICATION FOR RESIDENTIAL ACCOMMODATION

IMPORTANT NOTE : PLEASE DO NOT OMIT ANY PARTICULARS  
AS YOUR REGISTRATION WILL OTHERWISE BE DELAYED.

1. (a) Your name :  
(b) Residential address :
2. (a) Designation :  
(b) Name of office :  
(c) Office address :
3. (a) Basic Pay in the present post :  
(b) Special pay, if any :  
(c) H.R.A. if now drawn :  
(d) Other allowances, if any :
4. Maximum amount of rent you are willing to pay :
5. (a) Have you been transferred to Bombay ? If so, from where ?  
(b) If not, (i) Is this your first appointment in Bombay ?  
(ii) Where were you staying before joining your office ?  
(c) Who was your predecessor in office ?  
(d) What is the date of your joining duty in Bombay ?
6. What is the barest minimum accommodation that you will accept ?
7. Are you a vegetarian or a non-vegetarian ?



8. In which localities in Bombay will you accept accommodation ?
9. Has your office forwarded to this office your predecessor's declaration regarding his premises ? If not please attach.
10. (a) How many members of your family will be staying with you in Bombay ?  
 (b) What is their relationship with you ?  
 (c) Is any of them earning ? If so state,  
     (i) Name of the person/s  
     (ii) Name/s of office/s  
     (iii) Emoluments.
11. How long will you be in Bombay ?
12. (i) With whom are you staying at present ?  
 (ii) Extent of accommodation now occupied.  
 (iii) In what capacity are you staying there ? (i.e., as a tenant, lodger, guest, caretaker etc.).

I enclose the Indemnity Bond signed by me and witnessed by a Gazetted Officer, indemnifying the Governor of Bombay against any claim for compensation by the landlord in respect of premises that I may accept but subsequently reject.

Place :

(Applicant's signature)

Date :

Certain features of this form deserve comment. From the point of view of the applicant who is filling the form, the questions are worded to facilitate answering them.

Firstly, some of the *vagueness* of the earlier form has disappeared, e.g., question 10 in the old form regarding minimum accommodation required by the applicant has become "what is the barest minimum accommodation *that you will accept* ?" Question 14—"locality in which the applicant prefers accommodation" has become "In which localities in Bombay will you accept accommodation ?" Particularly in the latter case no scope is left for doubt on the part either of the applicant or of the office. The earlier phrasing left an area of indifference which could give rise to needless argument later.

One way of clearing up a vagueness in a question is to split it up into its components. An example is the entry relating to the present pay including allowances, etc., which very frequently produced replies that did not provide the information needed for the applicant's classification. In the new form the question has been split into a number of sub-questions. Another example of this is provided by question 5 in the new form which replaces question 6 in the old. The mass of

information called for in regard to the applicant's previous history and the premises his predecessor occupied, was most inconveniently bundled under one item. It is much simpler from the applicant's point of view if the question is split into a sufficient number of smaller questions.

A corollary of this is a logical numbering of questions and sub-questions, which makes the applicant's task easier.

One of the essential accompaniments to the application for accommodation was the covering endorsement by the applicant's superior officer regarding the premises his predecessor in office used to occupy. There were innumerable cases in which this essential was not furnished, with the result that the department had to engage in protracted correspondence on this point.

Often enough, the omission was due to the applicants themselves being ignorant of this requirement. So a draft "covering endorsement" was attached to the application form before it was supplied to intending applicants. To draw attention to this, *we introduced a question into the application form itself on this point (question 9).* This is a very useful technique.

There are also some points in the revision of a form which arise out of the manner of handling, and the requirements to be met in the office.

There is often a tendency to include needless questions in a form. Therefore, forms have to be strictly scrutinised from purely this angle.

Secondly, the questions in a questionnaire form should be arranged in such an order as to make their further processing simplest. We will have more to say about this below.

Questions that could be ambiguously interpreted should be improved or rephrased. For instance, during revision of the form, question 12 was first drafted to read :

- (i) Where are you now staying at present ?
- (ii) Extent of accommodation now occupied.
- (iii) Status.

The third sub-question lent itself to various interpretations. It was quite possible that an applicant might without hesitation write against it the word "married" or something equally irrelevant. What the office wanted to know was whether the applicant was a tenant, a paying guest or a caretaker. We, therefore, redrafted the question.

## II

Along with the change in the application form, we devised a new form for processing ("noting") the application :

1.	2.	3.	4.
<b>A</b>			
1.	Name of the applicant		
2.	Is the applicant's office address and designation given separately ?		
3.	Are the basic pay and allowances of the applicant shown separately ?		
4.	Has he indicated the maximum rent he is willing to pay ?		
	(a) If the reply to 3 and 4 is 'Yes', indicate rent group he is eligible for, in the 3rd column.	.....	
5.	(a) If he is a transferred Govt. servant, write 'T' in column 3, otherwise leave it blank.	.....	
	(b) If he is coming from mofussil for the first time to take up this appointment in Bombay, write 'M' in column 3, otherwise leave it blank.	.....	
	(c) If he is in a newly created post, write 'N' in column 3 otherwise leave it blank.	.....	
	(d) Has he indicated the date of taking charge in Bombay ? (Write 'Yes' or 'No' in column 4 and date of joining in column 3)		
6.	Has he indicated the minimum accommodation he wants ?		
7.	Has he said whether he is a vegetarian or non-vegetarian ?		
8.	Has he indicated the area in which he wants accommodation ?		
9.	(a) Is the predecessor's declaration sent by his Office/Department ?		
	(b) If the premises occupied by his predecessor are under requisition, give No. and date of A/O in column 3, otherwise leave it blank.	.....	



1.	2.	3.	4.
(c) If the predecessor has given notice to Govt. that he will vacate the premises, indicate particulars in column 3, otherwise leave it blank.		.....	
10. Has he executed the I.B. properly ?			
11. Is the application sent through the Head of his Office/Department ?			
<p><i>Instructions ;</i> 1. In col. 4 merely write 'Yes' or 'No'. Other replies should be in col. 3.</p> <p>2. If there is any 'No' in col. 4, in reply to any question in Part 'A', return the application itself to the applicant for eliciting the required information.</p> <p>3. If there is any 'No' in col. 4 in reply to any question in Part 'B' (but not in Part 'A') <i>do not</i> return the application but proceed with registration and obtain the required information after the applicant is registered.</p> <p style="text-align: center;"><b>B</b></p> <p>12. Is the number of members in his family and their relationship to him given ?</p> <p>13. If there are any other earning members in his family, say so in col. 3, otherwise leave it blank.</p> <p>14. If he has stated how long he is going to stay in Bombay, indicate period in col. 3, otherwise leave it blank.</p> <p>15. Has he given the name and address of the person with whom he at present stay ?</p>			
O R D E R			

I call attention to some features of this noting form.

Firstly, clear and simple instructions appear on the form itself. Even a newcomer in the office can apply those instructions without any previous training.

Secondly, the order of entries in the noting form, and their numbering follow closely the order and numbering in the application form. Therefore, the clerk has merely to put the two forms adjacent to one another to fill up the noting form.

Thirdly, the questions on the noting form are so worded that they evoke either simple Yes/No answers or else a specific answer. For instance, question 7 reads "Has he said whether he is a vegetarian or a non-vegetarian ?" It does not ask "Is he a vegetarian or non-vegetarian ?", because *at this stage* the office is not interested in whether the applicant is one or the other. That would be of interest at a later stage in the processing. At this stage, the officer wants to know merely if the application is complete and therefore whether the applicant has said if he is a vegetarian or non-vegetarian. Similarly, question 6 does not ask "What is the minimum accommodation wanted ?", but "Has he indicated the minimum accommodation he wants ?" Here too, the office is interested in a simple 'yes' or 'no', rather than in the actual requirements, at this stage.

The noting assistant makes his entries in two columns on the form. A 'yes' or 'no' entry is to be made only in column 4. Other specific entries for which dotted lines are provided on the form are to be entered in column 3.

The entire set of questions is divided into two groups—A and B. Group 'A' contains information which is absolutely essential, and without which registration is impossible and the application form must be sent back. Group 'B' comprises questions which are not so important and which can become the subject of correspondence *after* registration.

If you read over the form you will see that any negative entry in column 4 will automatically result in the return of the application form to the applicant for completion. The task is thus rendered *completely automatic* and, as I have said above, a totally new recruit can be put on this job with hardly any training.

I need only add that the time involved in handling a single application fell, from about 20 minutes on the old system, to 3 or 4 minutes on the new.

I do not suggest that this example in any sense demonstrates all the numerous points that affect the make-up of a form. Here, for instance, is a point that would-be form designers might attend to :

One very often finds in government forms a number of various alternatives, with the foot note, "strike out whichever is not applicable". I have always thought that this is quite a wrong way of phrasing a question. When you face a large number of questions it is much simpler to pick out from several alternatives the one that does apply to you than the many that do not. Therefore, in regarded to multiple choice question it would be best to set them out one below the other and ask the applicant to make a cross mark against the alternative which applies to him.

There are various other points that must be attended to, *e.g.*, the spacing of items, so as (a) to give adequate space for the answers expected and (b) to facilitate processing. But as I have already written, my purpose is not to list the essentials of form design. It is merely to call attention (1) to the need for forms to be carefully planned before they are introduced, (2) to the manner in which a well-designed form can make the processing operation simple, *automatic* and economical in time.



"An efficient enterprise must work in a groove because a groove is the smooth way of doing things. Here, again, misunderstanding is frequent because too often it is assumed that the groove is a rut which must be avoided at all costs. The urge is to reorganize out of it, to consolidate and divide and shake up, simply to prevent the groove from becoming established. But this is shortsighted and unrealistic. The groove is essential. It is not the groove that should be prevented but the too deep grooving which becomes a rut and eventually militates against flexibility, fresh outlook, and adaptability to change".

—MARSHALL DIMOCK  
(in 'The Executive in Action')



## EDITORIAL NOTES

To enable the readers of the *Journal* to express their views on contemporary problems of public administration, a 'Correspondence' section has been re-started with this issue. It is not the intention to confine the correspondence to articles published in the *Journal*; views on any administrative issue of importance would be welcome.

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The feature on 'Book Reviews' has been supplemented with a section on 'Book Notes'. It covers 10 books, selected from fresh additions to the Institute's library, which we thought, deserved to be brought to the notice of our readers, though not necessarily through full length reviews.

—*Editor.*

## CORRESPONDENCE

### I

#### Work Study in Government Organisations

The Editor,

*I.J.P.A.*

Sir,

The principles, practices and problems of "Work Study in Government Organisations" as presented in a recent article in your *Journal* by Sarvashri Indarjit Singh and K.N. Butani (Vol. IV, No. 2, April-June 1958) do not differ much from the principles, practices and problems of work study in the administrative or office units and business organisations. We may get a useful clue or two therefore from business experience.

In particular, readers may consider an approach that is being increasingly accepted in the West and which has been tried by the writer in Indian business organisations with satisfying results.

In this approach, we start with defining the objective of the study. *A better service at a lesser cost at the right time*, we say, is the objective. Since this objective assures the interests of both the employer and the employee, this objective serves as a common ground.

We emphasise that this is the common objective of every member of the organisation. We emphasise that methods improvement is a continuous activity. We emphasise too that *methods improvement is every one's concern and not merely that of staff*.

So that every member should get into the act, personnel at every level is inducted to the significance, basic techniques and philosophy of methods improvement. *Every member effects improvement of his or her job*. The men at higher levels guide, encourage and co-ordinate the efforts of those at the lower levels. Thus, a departmental head co-ordinates the efforts of his supervisors who in turn co-ordinate the efforts of their assistants.

We find that the men on the job are able to effect improvement in their methods of work to a remarkable degree. In one study, a typists pool was taken up for improvement. It was divided into two sections. One section was analysed by two work study experts. Another section was analysed by the typists themselves who have been inducted to this approach. We found the man-on-the-job approach yielded more and better ideas than the work study expert approach.

The study was continued. The reports of recommendations were given to the sections-in-charge. Where the specialist did the

analysis, the section-in-charge had to fight every inch to get them implemented. In the other section, even before the section-in-charge spoke to his men, most of the recommendations had been implemented. Reason ? The initiative came from them and "the ideas were ours".

Where such an approach is adopted, there is a climate of methods consciousness, a refreshing absence of resistance to change, a dynamic drive to achieve the objective of 'a better service at a lesser cost at the right time'.

For this approach to succeed, one condition should be satisfied. Top management should be informed on and vitally interested in this approach.

The man on the job knows where the shoe pinches. Given the know-how and given the encouragement, he can continuously think of and effects improvements in his job. It is better for an organization that many men think in terms of improvement instead of one, however clever or skilled he may be.

Normally, top management does not wish to bother itself with this approach since it calls for a change in attitudes. It prefers the easy way out. It employs an outside consultant or an inside expert to 'rationalise' and 'streamline' the work.

That this approach costs much in terms of money, morale and time does not seem to appeal to them. Instead of all the staff working to achieve a significant objective, one lone expert works. Instead of implementing improvements quickly, smoothly and gracefully, there is an unending war, though an undeclared one between those affected and the officer concerned.

The specialist has his place in this approach. He comes in where refinements are needed. Men on the job can help achieve the first 70-80 % efficiency and it is to get the other 20 or 10 % they think of the specialist and they welcome him.

The logic is briefly this. "Methods improvement is change. If it involves me, unless I initiate it, I won't let it work. Even if it works, it won't be effective or dynamic. I will initiate it systematically if I am informed and encouraged. What stops you from giving me the know-how and encouraging me?"

Is this approach applicable to government organisations? Is it desirable? Is it feasible? What would be the limitations? How can we surmount them? I would love to hear from the readers of this *Journal*.

Yours faithfully,

Bombay, Mumbai to Government of India, N. H. Athreya  
12th August, 1958.



## II

## O &amp; M Machinery in India

The Editor

*I.J.P.A.*

Sir,

I have read with great interest the account of the pioneering work in the application of work study techniques in government organisations, undertaken by the Special Re-organisation Unit of the Union Ministry of Finance, described in the article jointly contributed by Sarvashri Indarjit Singh and K.N. Butani to the last issue of the *Journal*. The issue posed whether the methods study, work simplification programme, etc., should precede or succeed an analysis of the organisation at the top is primarily theoretical one ; the learned authors of the article have found it more profitable to make an analysis of the organisational structure only after the methods of work have been carefully planned out and simplified ; they feel that "the analysis of the superstructure of the organisation should follow the evolution of the design of the basic primary unit, the quality of work and the volume of load that it has to carry". Their conclusions, emerging from actual work studies, in regard to the organisation problems are refreshingly interesting. Some of these relate to the need for functional specialists and for functional distribution of work, as also for avoiding over-functionalisation; the structural arrangements necessary for effective supervision and the need for re-consideration of the present inflexible structure of the primary unit of work in view of the rapidly expanding activities of government. The last conclusion itself indicates the limitations of the work study techniques and the need for their being supplemented by proper 'organizational' studies into the higher structure of the administrative hierarchy, the problems of supervision and control, concentration and deconcentration, centralisation and decentralisation, allocation of functions between different Ministries, etc. This is in a way implicit in the conclusions of the learned authors who have considered organisational and methods studies 'a continuing part of the same assignment'; but they have not carried the argument further to its logical conclusion.

A point which naturally arises at this stage relates to the administrative machinery for carrying out organisational studies, particularly at the top. At present 'O & M' work on the lines of the British practice is carried out in India by the Central O & M Division, located in the Cabinet Secretariat. Methods study also

logically forms a part of the functions of this Division ; the Special Re-organisation Unit of the Union Ministry of Finance has specialised in this work particularly by using more refined tools developed in the U.S.A. to review staff requirements on the basis of more or less scientifically determined work load in the interest of economy and efficiency—considerations which are obviously of special concern to the Ministry of Finance. The Central O & M Division, on the other hand, has primarily concentrated on watching the progress of disposal and suggesting measures for improvement of quality and speed, simplifying and improving office procedures, examining administrative causes of delay, collating reference material for ‘establishment’ work, experimenting with the staffing structure of the primary unit of work—a section—, and looking into special organizational problems common to certain Ministries and Departments. There is apparently much ground common to both the Central O & M Division and the Special Re-organisation Unit; at present both of them keep a regular contact with each other and try to work in close co-operation. Overall co-ordination in matters of policy is effected by the Central Economy Board which consists of Cabinet Secretary (Chairman); Secretary, Ministry of Home Affairs; Secretary, Department of Expenditure (Finance Ministry), and the Director, O & M, Cabinet Secretariat. The main function of the Special Re-organisation Unit of the Economy Division of the Ministry of Finance, as reconstituted in 1957, is to use “the technique of ‘work-study’ for investigation which normally comprises— (a) a study of the organisational set-up, delegations, span of control of superior officers, etc.; (b) analysis of operations; (c) a programme of work simplification and standardisation, where possible ; and (d) evolution of standards of performance and hence staff requirements”. (Third Annual Report of O & M Division, Cabinet Secretariat, p. 21.) The reference to “delegations, span of control of superior officers, etc.” has obviously a relevance here only to work study. Apparently, studies of the top organisation and services structures do not fall within the purview of either of them; the Ministry of Home Affairs appointed an Officer on Special Duty in September, 1956, to look into the question of the services re-organisation, etc.

Emphasis on O & M work has been declining in the U.S.A. in recent years ; new tools of management, of government, such as operations research, electronics and human relations are coming into prominence. In order to enhance and extend its utility, the role of O & M in Government in India will have to be clearly defined and the administrative arrangements for it planned and reorganised on a

more scientific basis. The two important problems here are (1) how to integrate the work of the Central O & M Division with that of the Special Re-organisation Unit ? and (2) in what administrative agency should be placed the responsibility for higher organisational studies ?

For the latter purpose it might be advantageous to have a *standing* Cabinet Committee for Re-organisation, assisted by an O & M Committee of Secretaries of appropriate Ministries and Departments. An *ad hoc* Cabinet Committee on Administrative Re-organisation was appointed in 1953 to examine the recommendations made in the first Appleby Report. The concept of 'O & M' is much wider and more comprehensive than the one of 'Economy' or 'Work Study' and hence the need for an 'O & M' Committee of Secretaries, which might have a sub-committee on economy. In the U.K., a Committee named Government Organisation Committee, composed of a number of permanent secretaries of the Departments under the leadership of Permanent Secretary of the Treasury is at the peak of its O & M organisation. This committee has overall and surveillance responsibilities for effective organisation of government machinery as a whole and O & M activities in particular. The establishment of the two Committees proposed earlier will also help to resolve the first problem; they may, with the assistance of the Central O & M Division, lay down the broad policies within the framework of which the Special Re-organisation Unit may carry out work studies. The basic work for higher organisational studies (including allocation of functions between Ministries and departments, control of proliferation of government departments and offices, problems of high-level coordination, delegation, etc.) should be undertaken by the Central O & M Division, considering that the Special Re-organisation Unit has a clearly limited function in matters of determination of work loads and staff complements.

We may also have an Advisory Panel of O & M Experts, drawn from industry, the Defence Services and public life to advise the top O & M organization in its work and to keep it informed with the O & M problems and developments outside the government.

What we need today is an integrated approach to the O & M problems in government and an integrated machinery to tackle them. The main purpose of O & M in government is to secure maximum efficiency by overhauling organisation and work methods; surprisingly enough the O & M machinery and techniques today themselves need streamlining.

New Delhi,  
September 17, 1958.

Yours faithfully,  
R. Dworkadas



## RECENT TRENDS IN PUBLIC ADMINISTRATION IN INDIA

*[The various sub-heads in the feature have been dropped for the facility of analysis; the size too has been reduced to give a more compact bird's-eye view of recent developments and events in the field of public administration in India.—Ed.]*

An important recent development in the field of recruitment policy has been the acceptance by the Government of India, with some modifications, of the recommendations of the Public Services (Qualifications for Recruitment) Committee, presided over by *Shri Ramaswamy Mudaliar*. Under the decision taken by the Government, a university degree will no longer be an essential requirement for recruitment to all clerical, Central Class III and State Subordinate non-clerical services; candidates appearing for the Upper Division clerical and Central Class III non-clerical services need now possess only intermediate, senior Cambridge or higher secondary certificate or equivalent qualifications. A university degree will continue to be an essential qualification for other services—all-India and Central Class I, Central Class II (gazetted and non-gazetted), State Class II (gazetted) and State Subordinate (gazetted) services. For Central Class II (non-gazetted) and State subordinate (gazetted) services the age-limit will be 20 to 24 years; for State Class II (gazetted), 21 to 24 years. In order to reduce the number of entrants to a manageable size and thereby improve examining standards, the Government has also decided that no candidate would be permitted to appear more than twice at any open competitive examination.

The recent emphasis on the creation of all-India cadres continues.

The Irrigation and Power Team of the Committee on Plan Projects has, in its report on the Chambal Project, favoured the creation of an All India Reserve of Officers who could be utilised to strengthen the projects as and when necessary, since each State cannot appreciate the overall situation.

Some basic and far-reaching changes are under way in the nature and scope of the training programme for the various categories and levels of community development personnel. The new pattern of training will cover the training of administrative and technical key personnel (including Collectors, Heads of Departments, Development Commissioners, etc.) at the Central Institute of Study and Research in Community Development, (the first batch of 31 officers including some non-officials has already finished its training); orientation training at common centres for Block Development and Extension officers; job training in specialised training institutions; refresher courses for all Block functionaries and district heads of technical departments concerned; and the establishment of a training centre for instructors, principals, etc. The Village Level Worker will now undergo a two-year *integrated* course, instead of 18 months' as at present, and basic agricultural schools and extension training centres will be combined with a view to achieving higher standards of training for the V.L.W.

The U.P. Government has constituted a State Board of Technical Education and Training; Mysore has appointed a Co-ordination Committee on Training to review from time to time the working of the training institutions and has formulated a scheme for training of new recruits to ministerial posts.

The second session of the Administrative Staff College, Hyderabad, commenced on June 13, with a complement of 36 student-members as against 30 in the first session. It has 8 members from the Central Government, 4 from nationalised industries, 8 from State Governments and 16 from the private sector.

Manpower studies continue to receive increased attention. The Governments of Bombay and Mysore have recently set up study groups and the Planning Commission has appointed a study group on Womanpower to assess requirements of women personnel in education, health, social welfare, etc. A Committee has been set up by the Union Ministry of Education to examine the existing system of education in commerce with reference to the needs and resources of a developing economy. In the context of manpower shortages, efforts are being increasingly directed to utilising the existing manpower to the maximum. The Union Public Service Commission has agreed to treat all persons, included in classified lists of Indian scientists and technologists abroad, prepared by the Council of Scientific and Industrial Research, as "personal contact" candidates for selections for which they may appear to be *prima facie* suitable. The Bombay Government has issued instructions that extensions up to 58 should be granted to technical personnel belonging to Class II and III Services.

The Kerala Government has revised pay scales for its employees, both gazetted and non-gazetted, effective from April 1, 1958. The basic minimum has been raised to Rs. 30 and, the maximum, excepting in a few cases, limited to Rs. 1,000. A new lowest-grade recruit will now get a total remuneration of Rs. 67. The Government has also sanctioned to all employees one advance increment for a service between 10 and 20 years, two advance increments for a service between 20 and 25 years, and three for a service of 25 years or more. The Government of Andhra Pradesh has set up a Pay Revision Committee to enquire into the existing structure of pay scales and service conditions of Government employees, drawing a pay of Rs. 250 or less, excluding employees in State industrial undertakings. For the latter, the Government has decided to fix a minimum total wage of Rs. 50 (basic pay of Rs. 26 plus a dearness allowance of Rs. 24), exclusive of house rent allowance. The minimum pay scale would be Rs. 26-1-30. Jammu & Kashmir has appointed a Committee to go into the pay structure and to advise on measure necessary for toning up the administration.

The Committee, appointed by the Railway Board in February last year to report on promotion avenues for Class IV railway staff, has recommended that the different cadres in the various departments of the Railways should be fixed in such a manner that each employee can reasonably expect to get the first promotion before he has put in 12 or 13 years of service. It has made detailed recommendations in this regard and further proposed that training should be imparted to various categories of staff to equip them for promotion. The recent trend has been towards the extension of staff welfare facilities

and benefits, and a simultaneous tightening up of administrative control over personnel in matters of joining staff associations, participation in strikes, neglect of responsibilities, etc. The Central Government is considering how far the Government Servants Conduct Rules should apply to personnel employed in departmentally-managed commercial and industrial state enterprises. These Rules were amended some time ago to prohibit participation in strikes on the part of Government servants and to ban their joining unrecognised staff associations. The prohibition of strike, as provided in the Bihar Government Servants Conduct Rules, came up for consideration recently in the Patna High Court in *Bihar Ministerial Officers Vs. State of Bihar*. The petitioners had contended that this restriction affected the right of freedom of speech and expression and the right to form associations guaranteed under Articles 19(1) (A) and 19(1)(C) of the Constitution of India. The Court held that the prohibition to take part in strikes or demonstrations was made in the interest of public order within the meaning of Articles 19(2) and 19(4) of the Constitution, and was also reasonable within that meaning. The Government of *Bombay* has decided to take action against officers who repeatedly fail to take decisions on matters within their powers and make needless references to their superior.

The O & M trends in the recent months have been in the direction of greater devolution and delegation of powers, attempts to reform administrative procedures and organisation, and measures for economy.

The most important development relating to devolution has been in the field of financial control at the Centre; expenditure control hitherto exercised by the Department of

Expenditure, Ministry of Finance, has, to a considerable extent, been decentralised. The major scrutiny of the estimates of expenditure will be exercised by the Finance Ministry before the budget is framed. Generally, once provision has been made in the budget on the basis of estimated requirements by broad sub-heads and approved by Parliament, administrative Ministries will be free to sanction and incur expenditure (up to Rs. 50 lakhs in each case) without further reference to the Finance Ministry. But in the case of large schemes costing more than Rs. 50 lakhs and of contracts involving substantial sums or an unusual feature, they will continue to consult the Finance Ministry. Internal Finance Advisers will be posted to each Ministry to ensure that the wider powers now delegated are exercised with due regard to financial principles.

In pursuance of the recommendations of its Administrative Inquiry Committee, the Rajasthan Government has delegated larger powers at all levels of administration. It has also decided to form study groups of officers to study in detail the administrative procedures obtaining in other States. In *Mysore*, a 4-member sub-committee has been appointed to consider the question of introducing a common office procedure for the offices of the State Revenue Department. The *Delhi* Municipal Corporation has set up a nine-member committee to devise ways and means for eliminating red-tape in its administration.

The new administrative organisations, agencies and departments, which have either come up or are in the process of formation, include a Motor Vehicles Department in *Kerala*; a Central Board of Fisheries; the Central Transport Development Council; the Road and Inland Water



Transport Advisory Committee; and the Central Transport Co-ordination Committee. The Union Law Ministry has been reorganized into two departments—the Legal Affairs and the Legislative. Important among the Committees recently set up by the Government of India are : (1) an *ad hoc* Committee, with *Shri M.R. Masani*, M.P., as Chairman, to conduct a comprehensive enquiry and make recommendations for the re-organisation of administrative set-up for transport in States; (2) a high level Committee, under the chairmanship of *Shri B.K. Gokhale*, to review the organisational structure of the Central Water and Power Commission; and (3) a Committee, under the chairmanship of *Shri Mahavir Tyagi*, M.P., to advise on the administrative organisation and procedures necessary for implementing the integrated scheme of direct taxation with due regard to the need for eliminating tax evasion and avoiding inconvenience to the assesses.

Apart from the establishment of a central training institution (mentioned earlier) the most important recent developments in the field of community development have been the convening of a national conference on community development; advance towards democratic decentralisation; and intensification of efforts for effective participation of non-official organisations and individuals in the community development and national extension service programmes and a re-thinking about the exact role of the panchayat in rural development.

The annual Conference on Community Development, which met at Mount Abu from May 20 to 24, recommended that the Gram Panchayat should be made responsible for planning and implementing the community development programme

and for promoting agricultural production; a portion of the Block funds and of the land revenue should be allotted for its development works; and the administration of the panchayat be organically integrated with the Development Commissioner's organisation from the State headquarters down to the village level. The Village Level Worker, however, should not be the Secretary of the panchayat, but should assist it in implementing its development programme. No separate cadre for B.D.Os. should be created by the States, and the I.A.S. and State Civil Service Officers should work as B.D.Os for one year as a part of their normal field training. The B.D.O. should have the status of a gazetted officer. Wherever a whole *taluk* was covered with Blocks, departmental officers other than the Extension Officers should not normally be necessary and the latter should do both administrative and extension work, always giving priority to the latter.

Further progress has been reported in the direction of democratic decentralisation of local government. Twenty *ad hoc* Panchayat Samitis, at the rate of one in each district, were inaugurated on July 1 in *Andhra*. *Assam* intends to bring forth legislation for the establishment of panchayats at the block and 'union' levels; *Jammu & Kashmir*, for Advisory Block Panchayat Boards; and *Mysore*, for advisory Taluka Boards (for national extension blocks) and District Development Councils. *Madras* will have supervisory coordinating Panchayat Union Councils at the block level and advisory co-ordinating Councils at the district level. *U.P.* has set up *interim* district councils to take over the functions of district boards, the district planning committees and the work connected

with the community development. The State Governments of *Madhya Pradesh* and *Rajasthan* have established committees to work out detailed proposals in the matter.

Increasing efforts have been directed in recent months towards enlisting the support of non-official organisations, in social and economic fields, in the community development programme. An understanding has been reached with the leaders at higher levels of the *Gramdan* movement but it is still to spread to the grass-roots level in village. The Central Committee on Community Development has recently also accepted in principle a proposal for participation of non-official organisations and workers in the community development programme. Groups of workers from organisations as well as individuals, who are keen on participating in schemes for rural development, would be assisted by Government in respect of

training by provision of instructional literature, etc; the training camps to instruct these workers would, however, be organised by the organisations themselves.

The need for entrusting the panchayat with the entire responsibility for rural development was emphasised at a recent meeting of the Central Committee on Community Development. The Committee was opposed to the idea of an unduly large area being covered by one Panchayat. The Orissa Gram Panchayat Inquiry Committee has recommended that the size of a panchayat should correspond to a block so that one village level worker might be available for each panchayat. That Committee finds that the panchayats need more financial support than what is at present provided, and suggests that all panchayats should levy compulsorily a panchayat tax as provided in the Orissa Gram Panchayats Act, 1948.



## NEWS FROM ABROAD

The First Regional Conference on Public Administration, held in Manila (Philippines) from June 7 to 21, was attended by Australia, China, India, Indonesia, Japan, Korea, New Zealand, Pakistan, Philippines, Singapore and Vietnam. The agenda for the Conference included : (1) Administration of Economic and Social Planning and Programmes (central and local governments); (2) Education, Recruitment

and Training for the Public Service (central and local governments); and (3) Proposals for the Creation of a Permanent Institution of Public Administration in the Region. The Conference decided to establish a permanent Eastern Regional Organisation for Public Administration (*EROPA*), subject to the agreement of a majority of the countries represented at the First Regional Conference to join the regional organisation.

The major organs of the Organisation will be the General Assembly, the Executive Council, the Secretariat General, and the Technical Services for Training and for Research and Documentation. Provisionally, the Secretariat would be in the Philippines, the Research and Documentation Centre at Saigon and the Training Centre in India. The general objectives of the *EROPA* shall be: to promote the adoption of more effective and adequate administrative systems and practices in order to advance and implement the economic and social development programmes of the Region; to develop an increasing appreciation of the value and importance of public administration; to advance the frontiers of the science and art of governmental administration in the Region; to develop managerial talent, especially at the executive and middle management levels; to foster the professionalization of public administration in the Region; and to foster affiliation, and maintain liaison, with universally recognized international bodies for public administration.

In the U.K., H.M.'s Government has decided to set up a Defence

Board and to expand the Cabinet Defence Committee. The Standing Committee on the Pay of the Higher Civil Service will carry out a general review of Higher Civil Service pay next autumn.

A "Career Executive Programme" for the Federal service, based on the recommendations of the Hoover Commission for a 'senior civil service', has been authorised by the President of the U.S.A. The programme will be supervised by a 5-member Career Executive Board; and its principal objects are to (1) improve methods of selecting and utilizing high-ranking career employees in administrative and managerial posts; (2) facilitate transfer of executives to agencies where they are most needed; and (3) provide them with rewarding career opportunities and greater prestige.

The U.S. Congress has approved 'A Ten-Point Code of Ethics for Government Officials'. The Code enjoins the Federal official, among others, 'never to accept, for himself or his family, favours or benefits under circumstances which might be construed by reasonable persons as influencing the performance of his governmental duties'.





## INSTITUTE NEWS

With the inauguration of a Regional Branch in Orissa on August 9, the number of Regional Branches has increased to 3. The total Ordinary membership of the *Institute* on September 1 was 1028, Corporate membership 75 and Associate membership 10.

The Executive Council of the Institute has re-elected *Shri Gurmukh Nihal Singh*, Governor of Rajasthan, as a Vice-President for a period of 2 years. The new Members of the Council include *Shri Vishnu Sahay*, I.C.S., Union Cabinet Secretary and *Shri N.N. Wanchoo*, I.C.S., Secretary, Union Department of Expenditure in the Ministry of Finance.

The fourth lecture in the series on "Expanding Government" was

given on June 5 at the Institute's premises by *General S.M. Shrinagesh*, Principal, Administrative Staff College, Hyderabad, and, formerly, Chief of the Army Staff; he spoke on "Defence Organisation". *Shri V.K. Krishna Menon*, Union Minister for Defence, presided.

Under the Institute's Foreign Fellowships Scheme, four officers from States have been sent abroad for advanced training in O & M; this includes training courses in the subject at the British Treasury.

The members of the teaching staff for the proposed School, scheduled to begin in October, are at present in the United States or Europe, engaged in a specialised study of their respective subjects.

## DIGEST OF REPORTS

*THE MYSORE ADMINISTRATION—Some Observations and Recommendations:* By Shri A. D. GORWALA. Bangalore, Director of Printing, Stationery and Publications, July 1958, 78p.

Shri A.D. Gorwala, I.C.S. (retd.) was requested in September last by the Government of Mysore to examine the administrative structure of the various government departments and to make recommendations with a view to increasing efficiency and enforcing economy; and to suggest steps for the efficient administration of the existing taxation laws and state enterprises, etc. The important observations and recommendations made by Shri Gorwala, in his report submitted to the State Government in May 1958, are given below, mostly in his own words :

### 1. General Observations

#### (a) The Basic Approach

(1) All (administrative) systems are capable of improvement. None is perfect for all time. Change to meet altered circumstances is always desirable. Yet no amount of change can really produce good government if the two basic essentials are lacking. These are personal integrity of the administrators and the moral sense of the citizenry.....The second affects the first, in the sense of preventing perhaps the grossest excesses that result from absence or failure of personal integrity in the ruler; but the first can have a much greater effect on the second. Where there is integrity in a government, the probability of growth of moral sense among the people is undoubtedly greatly enhanced.

(2) Personal integrity so requisite for those partaking in government includes, besides honesty in the

pecuniary sense, complete dissociation from nepotism, favouritism, communalism or casteism. It also means intellectual honesty, a desire to reach decision on merits alone, unaffected by prejudice or predilection, a willingness to take into consideration honest opposition to one's own views without fretting or being vexed. It may be summed up as being imbued with public virtue, that which makes the mind of the individual regard every action from the point of view of the benefit of the people as a whole.

#### (b) The Problem of Delay in Government

(1) The most frequent complaint, the one most bitterly voiced, against Government in Mysore is that of delay... In the circumstances of Mysore, "what is not continuously inspected is not done as quickly as it should be".

(2) For delay in particular instances there can be any number of reasons—faulty organisation, unnecessary duplication, lack of delegation, error in distribution of work, insufficiently trained staff, etc. When delay is general, covering every field and almost every authority, the reason goes beyond these specific causes; then, the cause really is failure on a large scale to understand the responsibility which the government and administration owe to the people.

(3) The responsibility for eliminating delay is primarily that of the heads of offices and departments,

including the Divisional Commissioners, D.Cs., Superintending Engineers, etc. They can do this by devoting time to it specifically, rigorously inspecting the work of their subordinates, explaining to them where they go wrong, and insisting on their doing it as quickly as it should be done... More often than not delay is the result of general slackness and all that may be necessary is to make the staff understand fully that slackness will in future bring quick retribution.

(4) When an outside organisation is specifically designated for inspection work, the natural tendency of the head of the office is to regard inspection as no part of his own duty. Enquiries from those competent to know and judge invariably elicit the reply, that because of the Efficiency Audit, no departments and offices are more efficient than they were; rather that many today are less efficient, on account of the absence of interest, in this matter, of those most intimately concerned. This side of the Efficiency Audit organisation, then, is otiose and should be abolished.

(5) The Chief Secretary should devote one afternoon every week to inspecting, in any department selected at random, the Secretary's work and perhaps the work of one or two branches. Similarly, each Secretary should devote one afternoon a week to inspecting at random one or two branches in his own department and his Deputy Secretary's work.

(6) Delays caused by Ministers fall into two classes: a Minister keeping a file because he cannot make up his mind or because he does not wish to deal with it for any other reason, and the holding up of matters in cabinet because that body for reasons known to itself or to some

member of it does not wish to take a decision. The first cause can be dealt with by the Chief Minister taking from time to time, not less than once a month, a tally of all the files pending with each Minister and urging the prompt disposal of any that may have remained for more than a week... The second kind of delay is difficult to deal with unless it is realised that occasionally the will of the majority must be allowed to prevail and unanimity need not invariably be sought... Government by cabinet is never successful until there is a readiness to accommodate, and every member does not insist on having every single aspect of his own views accepted.

#### (c) Corruption and Extravagance

(1) Of corruption, one of the most potent causes is delay. The people are tempted to obtain at least some degree of promptitude by irregular measures such as the making of presents in cash or kind. The only way in which it can be abolished or at least discouraged seriously is by the head or the deciding authority taking special pains to see that every matter comes up in proper time, that the orders are also conveyed in proper time, and that payments, for instance, of recurrent grants, etc., are made on the due date without the necessity for special requests and intervention.

(2) An anti-corruption organisation, under the direct aegis of the State Government, can play a useful role, provided it does not dissipate its energy on thousands of petty complaints but concentrates on a small number of important cases.

(3) The practice of keeping motor cars, that has crept into the living standards of officials on moderate salaries, is a direct inducement to corrupt behaviour. Government



should prohibit any official whose basic salary is below Rs. 500 from owning a motor car. Positive orders forbidding this practice would be a boon to all middle grade Government servants.

(4) A species of corruption, generally not recognised as corruption, is extravagance in spending public funds. Of extravagance the one simple criterion is the first canon of financial propriety. No person entrusted with, or having authority over, public funds should spend them in any way in which a careful and prudent man would not in the circumstances spend his own money. A Government that is extravagant in a country as indigent as India deserves indeed the severest condemnation.

The Mysore scene looked at from this point of view presents a discouraging picture. There is the glaring example of the *Vidhana Soudh*. There is a feeling today in many parts of the country, including Delhi, that the putting up of buildings and the spending of large sums on them makes for prestige and betokens a high stage of development. Nothing could be more mistaken. Such spending only symbolises ostentation and disregard of true public welfare. The quality of work done rarely depends upon the magnificence of the building in which the worker is ensconced, and there can be little doubt that many a department or office housed in hutments did work of a very high order, often infinitely superior to that turned out by it in later years from some highly expensive, ornately decorated new edifice.

(5) Within the range of extravagance come too the hospitality arrangements of the Government of Mysore. The number of entertainments given by Ministers at public cost is too large. Equally extravagant and unjustified is the maintenance

of guest houses and the putting therein of large numbers of well-paid and high-allowanced dignitaries free of cost, and all other officials and influential visitors at much less than the usual hotel charges. There can be few more wasteful ways of using the Chief Secretary's and his staff's time and energy than compelling him and them to be responsible for these hospitality arrangements and making him occupy his mind with the many trifling points that arise in connection with them. The Residency and other guest houses ought to be closed down, the buildings being utilised for public purposes, or if not needed for them, leased or sold. (Sale would be best for the buildings at Ootacamund).

(6) The present practice of touring of government authorities, Ministers and high officials places a great burden upon subordinate officials. The subordinate official should, in fact, be treated as an official alone, concerned solely with official work, and in no case responsible for the bodily comfort or private arrangements of the person touring.

## II. The Secretariat and the Services

(1) In the circumstances of Mysore, the Chief Secretary has to carry a very special burden in addition to his normal duties, he must function as a most competent 'Inspector-General', devoting attention to all important administrative matters throughout the State. He should therefore be assisted by a competent Special Secretary, who can look after a good deal of the paper work in consultation with him.

(2) The two weakest links in the Mysore Secretariat chain are the Secretaries and the First Division Assistants. With rare exceptions,

the Secretaries are much below the standard, to be expected from men in that rank, in matters of initiative and taking responsibility for decisions. If work is really contemplated, most of the amiable gentlemen now filling secretaries' chairs should be replaced by men of a sterner calibre, more forthright and industrious, the force of whose example combined with their readiness to inspect rigorously and punish without fear or favour, could bring about considerable improvement both in quality and speed.

(3) (i) Mostly, Assistants are content to summarise the paper under consideration, and add a stray remark or two. They impede the movement of the file by holding it up for several days while they are making up their minds as to what exactly to say in the unnecessary summary. Assistants serve no useful purpose, and if possible some other instrument must therefore be used for getting the work done effectively and promptly. The Superintendent unfortunately is not such an instrument, being a promoted Assistant himself. Secretariat noting, being responsible work, might begun at the Under Secretary's level, relevant papers being just collected and put up by the Second Division clerks. A section would thus consist of an Under Secretary with three or four second division clerks. The number of Under Secretaries would have to be increased but the cost of their increase would fall well within the amount that would be saved by the abolition of Assistants and the reduction in the number of Superintendents. (ii) The new Under Secretaries should be recruited by examination from at least second class Honours graduates below 26, the emphasis being not so much on possession of knowledge as on quality of mind. (iii) The new arrangements would help to ensure that the initial

steps in every case are taken by capable and understanding men, who bring to bear initiative and imagination on their work, and there would be a chance of breaking away from the deadening routine that dominates so many State Secretariat Departments today.

(4) In order to preserve the 'memory of the department', all employees upto and including Under Secretaries should not be transferred for three years, save in very exceptional circumstances, from the departments to which they are originally allotted. Apart from destroying initiative, frequent transfers lead to a superficial approach to work. However, in some appointments, e.g., establishment work, a long tenure might tend to the misuse of the influence that quite often seems to gather round them; those engaged on such work should, after a 2-year period, be transferred to other work in the same office, or better still, in allied offices. Officers of the State administrative services should not stay in the Secretariat for more than 4 years.

(5) Under Secretaries and selected Assistants should, after some years of service, be sent out for a year or two to the field offices connected with their departments. Men in Secretariat are apt to get detached from reality, and no man ought to pass or suggest orders without realising the impact that his orders will have on the people who have to carry them out in places far away from the comfortable Secretariat where they were passed.

(6) The habit of wanting to see all or almost all files, into which some Ministers and Secretaries fall, obsessed by their belief in their own capacity, cannot but be deplored. Modern administration is impossible if a Minister or body of Ministers attempt to do all the work themselves

...Once powers have been delegated, the higher authority should interfere only on appeal. Otherwise subordinate officials hesitate to exercise the powers they possess, and the result is delay. So, too, to delegate powers and then continually to ask for reports about the use of such powers is to defeat the whole object of delegation.

(7) The State Public Service Commission should confine its attention to gazetted posts except for offices in Bangalore. Non-gazetted appointments outside could be filled by Divisional Committees under the chairmanship of the Divisional Commissioners.

(8) (i) Files in the Mysore Secretariat, even pending and current files, have a strange facility for losing themselves. The movement of the file should be registered in the section at all stages, even when it moves from the Under Secretary upwards. (ii) Very little attention is paid to the order concerning arrear lists in some departments of the Secretariat. The weekly list should be prepared every Saturday and seen and attended to by the Secretary himself before Monday afternoon. The monthly and quarterly lists seem to serve merely the purpose of compilation and may be abolished.

(9) For all those engaged in public business, the observance of proper office hours is imperative. Otherwise, not only is work affected but the public is greatly inconvenienced. Even Ministers ought, whatever the political pressure on them, to try and keep to proper office hours, attending their official place of business regularly and promptly. The fact that Secretaries and other high officials do not necessarily leave office, or complete their work, on the expiry of the office hours, does not absolve them from proper attendance in office. In fact, they should

make it a point to be punctual, because their example has a great deal of effect on the behaviour of those working under them.

(10) The Mysore Government may ask the Central Government that its administrative strength should be enhanced by the transfer of some suitable officials to it. Members of the all-India Services are meant to serve anywhere in India and there is no reason why there should be, for instance, 28 members of the Indian Civil Service working in Bombay as against only one in Mysore.

### *III. Departments*

(1) Among the important changes suggested for achieving greater homogeneity in work distribution among departments are the transfer of 'law and order' and 'passports' to the Home Department from the General Administration; 'all taxes' administered by the Commissioner of Commercial Taxes to the Finance Department from the Revenue Department; and 'house rent control' and 'evacuee property' to the Home Department from the Revenue Department; 'community development projects', 'national extension blocks, etc.' to the Revenue Department from the Planning and Development Department and 'planning' to the Chief Secretary, who is also the Development Commissioner, and the abolition of the Planning and Development Department.

(2) The present 19 districts of Mysore State can be comfortably reduced to 16. These 16 districts will fall naturally into three Commissionerships instead of the present four. The usual tenure for a Commissioner ought not to be less than three years. The Commissioner's supervision should not be limited to the Revenue Department; all that



happens in his division, especially in governmental activities in his division, should be of interest to him.

(3) A good Information Department, besides giving publicity to the activities of Government, should bring forthwith, to the notice of the appropriate department of government, any criticism that appears in the Press. If the criticism is erroneous, it should issue a specific reply saying so and pointing out where and how the critic has gone wrong. If it is correct, it should urge the department promptly to take remedial steps; and if the department agrees, admit the error and state what is being done to repair it.

#### IV. Finance and Taxes

(1) The present debt position reinforces the need for economy. Whatever relief can be obtained from the Central Government should be welcome, *e.g.*, extension to 50 years of the period of repayment of all loans made to the end of the Second Plan and reduction in the rate of interest to 3 per cent, wherever higher.

(2) When the period of Central assistance is over, the recurring cost on schemes assisted by the Centre has still to be met by the State alone. The State, if it does not exercise its own judgment and discretion, may well end by finding that, as a result of acceptance of Central assistance in many matters, it has imposed on itself a tremendous burden with little corresponding benefit.

(3) In the light of the financial condition of the State a good deal of the expenditure on the new items outside the Plan must be either brought into the Plan, or postponed or omitted.

(4) Some other economies of a general nature too must be adopted. Important among them are : discon-

tinuance of all special pays; abolition of deputation allowance, and non-practice allowance; the scale of travelling allowance to be based on salary, irrespective of rank; and refixation of staff complements in offices after a detailed examination by a small unit of 3 to 4 persons, specially selected, working under the personal guidance of the Chief Secretary.

(5) One of the principal causes of arrears in land revenue and other taxes is interference, through formal stay orders or merely through word of mouth instructions, by those in authority, Ministers or Secretaries, with those whose duty it is to make the collections. Interference can also be at the assessment stage. In both cases it is extremely demoralising. The responsibility for assessment and collection is the executive's and should invariably be left to it. If there is failure, the executive should be taken to task for it.

(6) A serious blow to Mysore finances would be the extension of Prohibition to the whole of the State. Reports from the territories under Prohibition in this State are as eloquent about its failure as those in other parts of India, where for ideological reasons it has been made into law. The correct policy would be to abandon Prohibition in the areas where it has been introduced, taking care to popularise temperance as much as possible. To extend it further and lose for no purpose nearly Rs. 3 crores a year would in the circumstances of Mysore be an error of the first magnitude.

#### V. Industries

(1) Despite the high yields of some state-owned industrial concerns, the overall management is truly not efficient, as apart from personal factors, the organisation is defective. A Board of Management for the Iron

and Steel Works, another Board of Management for other industrial concerns, both with the Industries Minister as Chairman and several officials and legislators as members, can scarcely provide the flexibility, judgment, detachment from politics, and initiative in action that are necessary for successful management.

(2) An autonomous 5-member Board of experienced non-officials, set up by executive order, would be a solution. The Chairman could be full-time and remunerated accordingly, and the members advising at Board and Committee meetings and receiving Directors' fees. Following the usual and well considered practice of organisations intended to be independent, both in this and foreign countries, members of the legislature would, of course, not be eligible. The Board would have powers to appoint and dismiss all servants of the organisation. The Board would try and keep its working flexible, reducing paper work as much as possible, visiting and deciding on the site... Integrity, disinterestedness, ability and experience should have preference over all other considerations in the choice of members.

## *VI. Village Development*

(1) Opinion in Mysore is almost unanimous about the failure of the community development and extension projects. Except for those professionally compelled to defend them, it is difficult to find a single person who has anything particularly favourable to say about them. This is so quite as much on the site as in the city... From the point of view of achievement, the community and extension project, on its present extended scale, has been a failure... Unless it is felt that the provision of employment to all those working on these schemes, from the Bangalore to the village end, is a worthwhile

purpose in itself, this must be regarded as one of the most wasteful forms of expenditure in the country.

(2) The missionary spirit is not a thing that can be taught. To expect it to operate on country-wide scale for long dreary years is in any case futile. When it is realised that almost all those engaged for the work are men and women as good or bad as any others, and that if it enabled them to earn a livelihood they would willingly have gone into any other government department they could get into, the folly of regarding them as starry-eyed adventurers on a high mission, and of expecting from them behaviour of the kind that would be appropriate in such rare individuals, becomes obvious.

(3) Though the Government of Mysore receives a large part of the money spent on it from the Central Government, yet it has to invest a good deal from its own revenues, and also to borrow considerable sums for it. In the circumstances, whatever the Government of India's views, Mysore might well consider it desirable to take its own line. The 'uplift' side should be dropped completely. What is needed in the countryside is pure water supply, primary education, improvement in agricultural technique and methods, some attention to sanitation and health. Direct allotment of funds for these specific purposes, directly utilised, under proper supervision, is far more likely to prove useful.

(4) Nor must a fetish be made of participation. Government and the cities owe too much to the rural areas, the countryside has been deprived of too much for too long, for it now to be argued that what needs to be done there will not be done unless the villager himself comes forward to bear a part of the cost. He may, of his own free will, on seeing good work, sincerely done, offer to

do so. Then, his participation should be welcomed. He may, on the other hand, keep away. That would be no good reason for Government's not doing what is necessary. If anything is to be salvaged from

the community development wreck, it can only be done by integrating the attainment of the basic economic benefits expected from it into the ordinary administration of the State.

**KERALA GOVERNMENT; ADMINISTRATIVE REFORMS COMMITTEE REPORT**, Vol. I, Part I. Trivandrum, Government Press, 1958, vii, 157p.

The Committee was set up in August 1957 by the Government of Kerala under the chairmanship of *Shri E.M.S. Namboodiripad*, State Chief Minister. *Prof. V.K.N. Menon*, Director, Indian Institute of Public Administration, was one of the members. Its terms of reference covered "to review the working of the administrative machinery as at present organised and the systems, procedures and precedents under which it functions with a view to assessing their adequacy for a democratic Government in a Welfare State"; and to suggest measures calculated to improve administrative efficiency for the co-ordination of the activities of the different Government departments and for the avoidance of overlapping, for decentralisation of powers at various levels with a view to expeditious despatch of Government business, and for democratisation of the organs of Government at the various levels with a view to effective participation of local self-governing institutions or other representative bodies in the administration.

The more important recommendations of the Committee, of general administrative interest, are given below :

### **I. General Observations**

(1) There is need for establishing democratic bodies with substantial powers from the level of the village upwards. Arrangements

should exist for the association of the people's representatives with the administration either in an advisory capacity or in a more positive manner according to the importance of the level and the nature of the activity. In matters of development these democratic bodies should have a definite and responsible role both in planning and in ensuring execution.

(2) The guiding principles of administrative reform should be (i) to delegate greater and greater authority to the lower units of administration, consistent, of course, with the necessity for centralisation in matters of broad policy, (ii) to associate the elected elements at every level of the administration, (iii) to ensure co-ordination of the activities of officials at all levels, (iv) to improve the morale and social purposiveness of the Services, (v) to effect proper adjustment of relationship between officials and non-officials, and (vi) to provide, in general, for the canalisation of the democratic spirit for constructive work.

### **II. The Panchayats**

(1) Panchayats should be made the basic units of administration. That, however, does not mean that Panchayats should (or could) exercise the same degree and extent of powers in respect of all matters. Their functions may be divided into three categories : (i) those for which they would have full devolution of powers; (ii) those for which they



would function as agents of Government with executive delegation of powers; and (iii) those in respect of which their role would be advisory. The first category should cover functions which they can perform with their own resources and staff, viz., the civil functions; the second group would include 'social service programmes' and 'development work'. As Panchayats gain experience, the scope of their activities will increase. There should be a continuous search to effect greater delegation.

(2) For the proper exercise of their mandatory functions the Panchayats may be assigned the sources of revenue listed in the draft Kerala Panchayat Bill, and for functions for which the Panchayats will be given executive responsibility specific grants for each subject should be made, equivalent approximately to the amount of expenditure that would have been incurred by Government.

(3) The village revenue establishment may form part of the Panchayats which may be made the agents for the collection of land revenue. The present Village Officer may function as the Revenue Officer of the Panchayat, and the Village Assistant or the Menon as the Revenue Assistant. Fifty per cent of the basic tax collected by the Panchayats may be allotted to them and the remaining 50% of the total for the State may be distributed to the Panchayats on the basis of needs. Two members of the Committee—Shri G. Parameswaran Pillai and Professor V.K.N. Menon—have recorded a note of dissent against transfer to the Panchayat of the duties now devolving on the Village Officer in relation to land revenue matters, such as collection of land revenue, maintenance of land records, initiation of proceedings regarding land encroachment, land assignment, etc.

(4) It is undesirable that the budget of a democratic body should be approved by a higher body like the Panchayat Samiti, as suggested by the Study Team of the Committee on Plan Projects. The Panchayat budget should be scrutinised by the Tahsildar (who will also be the Development Officer at the Sub-District level) before it is approved by the Panchayat.

(5) The Panchayats will have to employ their own staff for performing their mandatory functions. In order to link the Panchayats organically with extension and development work, each Panchayat may be given the service of a Gram Sewak who will function as its extension and development assistant. The Panchayat Executive Officer, Revenue Officer, Revenue Assistant, the Gram Sewak, the Health Assistant, and the staff of the institutions which will be transferred to the maintenance of the Panchayats may be recruited on the basis of district cadre and their pay and allowances may be borne by the State. A certain amount of administrative control over these staff should be vested with the Panchayats. These proposals will involve a complete re-shaping of the pattern and mobility of staff in the Panchayats and in the Revenue and the Local Bodies Departments.

(6) There should be one Panchayat for each revenue village but where the population is less than five thousand two or more villages may be conveniently combined. Panchayats should be constituted on the basis of direct election, by adult franchise, of one member for approximately one thousand voters.

### *III. Sub-District Level*

(1) The basic unit of all departments should as far as possible be a Panchayat or a whole number of Panchayats,

(2) The revenue and development functions may be combined at the level of the Taluk in one officer. The integrated unit may be called a Taluk and its Chief Administrative Officer, the Tahsildar. An area consisting of about a lakh to a lakh and a half of population would be the optimum area as the charge of a Tahsildar-cum-Development Officer.

(3) The existing Tahsildars should be given an intensive course of training in National Extension Service Programmes and similarly the Block Development Officers who have been recruited from departments other than Revenue should be given suitable training in revenue work. Future recruitment to the cadre of Tahsildars should be—(i) by promotion from staff employed for general administration; (ii) by promotion of the Extension staff in Agriculture and Co-operation; and (iii) by direct recruitment from the open market.

(4) (i) The Block Advisory Committee may be reconstituted and called the 'Taluk Council'. It may be formed by indirect election of one member from each constituent Panchayat, with a non-official chairman elected by the members of the Council. (ii) As the panchayats would be made the basic units of administration and invested with substantial powers, the work at the Taluk level, which will consist of only 10 to 15 Panchayats, will consequently be mainly one of co-ordination of the activities of the Panchayats. The committee at the taluk level may continue to be only advisory in its role instead of being a body with devolution of powers or delegation of executive functions. Without prejudice to their autonomous character, the Municipalities should also form an integral part of the Taluks (Blocks) in which they are included, and they should also be given representation in the Taluk Councils.

(5) Apart from official reports of progress, there must be an independent evaluation of performance, made from time to time, by small teams of non-officials in respect of each Block with reference to its co-ordinated community development programme and its prescribed periodical targets and achievements.

#### IV. The District

(1) Two sets of recommendations have been made based on two different views. One view is that it is necessary to have a non-official Council at the district level, which will function as an advisory body and as a co-ordinating agency in matters of development, and for the duration of the Plan period. All M.L.As. may ex-officio members of it; it may also include representatives of Panchayats and Municipalities, to be returned by indirect elections; and the Collector should be its Chairman.

(2) The second view is that the Council at the district level should not be merely an advisory body as at present, but should have power to take decisions and implement them so far as development work is concerned. It should be given the requisite finances and control over staff to fulfil this responsibility, as also the necessary administrative and financial powers. The Council may be constituted by direct election to be held simultaneously with the elections for Panchayats, and have a non-official President and a non-official Vice-President elected by its non-official members. All the District Officers of the Development Departments will be members of this Council without the power to vote. The Collector will not be a member of the Council, but will be kept informed of the progress of its work from time to time.

## V. Regional Offices

Regional officers will not serve their intended purpose if they function merely as a link in the hierarchy. They should be assigned specific powers and responsibilities in matters of financial and administrative control.

## VI. The Departments

(1) (i) It is necessary for the higher officers of Government and the Ministers themselves to develop a proper attitude towards delegation of powers on the basis that action should be taken initially at the lowest level competent, that subordinate officers should be left to exercise their powers without hindrance, the higher authority interfering only in appeal or revision or where there has been gross abuse of powers, and that in the latter contingency, the proper remedy is not to resume the powers delegated, but to replace the erring officer. (ii) Heads of Departments should send periodical reports to Government showing particulars of the exercise of the delegated authority beyond a certain level.

(2) An Organisation and Methods Unit should be set up in the offices of each major Head of the Department and of the Collectors.

(3) The progress and implementation of the programme and achievement of financial and physical targets should be critically examined in periodical conferences at the Secretariat level attended by all Secretaries and Heads of Departments and presided over by the Chief Secretary.

## VII. The Secretariat

(1) (i) There can be no great improvement in the despatch of business in the Secretariat until the work

done there is reduced in volume and is restricted only to those purposes for which a Secretariat is intended. The Secretariat work should be confined to the framing of policies, laying down rules and principles of procedure, financial control, work connected with legislation, general direction and evaluation. (ii) The Head of the Department should be responsible for implementing the policies. (iii) It is not desirable to combine the functions of the Secretariat Officers and Heads of Departments except in cases in which such combination is already in vogue.

(2) Noting should be done in the Secretariat only above the level of Assistant Secretaries. A revised procedure is suggested for work in the Secretariat. The revised procedure is based on Heads of Departments sending to the officer concerned in the State Secretariat a fully-referenced *note* (in duplicate), instead of a letter as at present except in matters relating to establishment, promotions, enquiries, etc. Further action in the Secretariat will be taken on the *note*. (The procedure recommended is a modified form of the one suggested by the Rowland's Committee and adopted in Bihar four years ago and in U.P. last year—Heads of Departments sending the entire files to the State Secretariat.)

(3) The system of 'jumping of levels' should be introduced in all departments.

(4) An Organisation & Methods Division should be formed in the Secretariat as part of the Public Department.

(5) The departments of the Secretariat may be so regrouped as to form nine departments in all, *i.e.*, Public Department (Public, Home, Planning and Development, Anti-Corruption, and Organisation and Methods); Revenue Department (including Local Administration);



Finance Department; Agriculture Department; Industries Department; Public Works Department; Education Department; Health and Labour Department; and Law Department.

(6) There should be interchange of district and Secretariat officers at all levels—from the Lower Division clerk's to the Secretary's.

### *VIII. The Services*

(1) Recruitment to posts in the sub-clerical and last-grade services may be done by a District Recruitment Board, presided over by a member of the State Public Service Commission, with the Collector as a member.

(2) The benefit of reservation for Backward Classes should be given only to those who fall below a certain economic level.

(3) There should be provision for direct recruitment at intermediate levels in services, without any reservation for Backward Classes. Reservation for Scheduled Castes and Tribes may, however, continue.

(4) A course of combined practical and institutional training should be prescribed for all recruits to clerical and administrative jobs. The scope of training should include training in objectives as well.

(5) It is necessary to ensure that there is no 'imbalance between age and incentives' and that stagnation, which does exist at certain levels of the services, is avoided. There should be a well-planned promotion system and the rules governing it should be statutory. The principles, criteria and procedures for departmental promotions should be fixed and made widely known and, by their faithful implementation, implicit confidence be created in the services that they will not be departed from.

(6) Greater weightage should be given to seniority at lower levels

and to merit at higher levels, in the matter of promotions.

(7) The proper maintenance of Personal files should be insisted upon. For different posts in different departments, as many objective criteria as possible should be laid down for assessing the merit of an individual. The details have to be worked out for each department and for each post.

(8) An officer declining to punish proved incompetency or misconduct should be presumed to be indifferent to, or negligent of, his duties and rated low in point of administrative ability.

(9) There should be a correct code of behaviour for Government servants, which, among other things, should discourage their closely associating with persons in charge of trade or industry or others who may have to approach them for permits or licences or for certain discretionary advantages.

### *IX. Administrative Expenditure and Financial Control*

(1) A small committee, consisting of not more than two non-officials and a senior official, may be set up to investigate in detail about administrative cost including staff salaries, allowances, contingencies, stationery, telephone charges, expenditure on Government vehicles etc. and suggest measures for economy.

(2) The budget for each department should show all the expenditure provided on behalf of that department. If a scheme has been included in the budget after the scrutiny of the detailed estimates by Finance then there is no need to seek fresh financial sanction after the budget is passed unless it is proposed to alter the original estimate materially.

(3) There should be a financial unit under a Financial Assistant or an Adviser, in the office of each

important Head of the Department, who should be held fully responsible for budgeting, expenditure control, internal audit and the scrupulous observance of financial rectitude in that department. The financial Assistants of all the departments should form a common cadre.

(4) Inter-change of personnel between the Finance and administrative departments may be made from the level of Assistant Secretary and above.

(5) A non-official Standing Finance Committee may be set up to scrutinise the budget proposals before they are finalised by the Finance Department for presentation to the Legislature.

(6) Spending departments should prescribe quarterly targets for expenditure to avoid lapse and also heavy rush towards the close of the financial year.

(7) A unit for economic research whose functions should include a study of the taxation proposals and the impact of the Government's socio-economic policies on the country's economy should be set up in the Secretariat.

#### *X. Civil Servants, Ministers and the Public*

(1) (i) The Minister is responsible for the framing of policies, but in doing so, he should take the advice of his senior Civil Servant.

(ii) The Minister's function is not so much to run his department as to see that it is run well. He can give only a limited time to the details of administration. A Minister, therefore, must permit and encourage the execution of delegated authority by officers without hindrance or interference. A major portion of administration is non-political and it is essential to ensure that departmental decisions are impartial and equitable. The anxiety to redress individual grievances should not go

against this. It would be a good policy for a Minister not to question ordinary acts, with which he may not fully agree, if they have been done in Civil Servant's discretion and good faith.

(2) (i) A Civil Servant should be frank and fearless in giving his views and, after a decision on any matter has been taken by the Minister, the Civil Servant should faithfully carry it out, whether it conforms to his advice or not. (ii) As between the political parties a Civil Servant should act with *demonstrable* impartiality, not giving the impression of favouring any.

(3) (i) Whenever possible, requests made by people should be examined and the orders made known to them immediately. Where this is not possible, a definite time limit before which orders will be passed should be intimated, and it should be kept up. (ii) Official communication to the public should be courteous, precise and intelligible.

(4) Care should be taken to see that official directions of a regulatory nature and practicable of enforcement by the authority responsible, and capable of observance by those to whom they are issued. The responsibility for the enforcement of the directions should be vested in the lowest level appropriate.

#### *XI. Miscellaneous*

(i) Punctuality and the maintenance of a business like atmosphere in office are to be insisted upon. The fact that a Government servant has occasionally to work overtime will not be a proper excuse for being unpunctual or absent during office hours. (ii) Transfers and postings should be governed solely by public needs and cause only minimum disturbance among staff already in position. (iii) There should be facilities in public offices for people to wait, and for their reception and guidance.

## BOOK REVIEWS

*PARKINSON'S LAW OR THE PERSUIT OF PROGRESS;* By C. NORTHCOTE PARKINSON. London, John Murray, 1958, v, 122. 12/6.

If I were ponderous, I would say that this is a collection of essays on Public Administration, a description this, which is much more misleading than the average cogitations of the professional reviewer. For one thing these are not essays in any of the accepted connotations of the term and the all-pervading titillating irony might enable the administrator to belittle the serious implications of the work. Parkinson's Law first saw the light of day in the pages of the *Economist* whose readers were also privileged to peruse the analysis of "Directors and Councils" and of "Pension Point". The Rising Pyramid needs elucidation as its starting point is the top with the senior official attempting to cope with increased work, keeping two axioms in mind: (1) "An official wants to multiply subordinates, not rivals;" and (2) "officials make work for each other". The resultant increase of fruitless and self-multiplying activity is reflected in a statistical chart of the Admiralty where the substantial decrease of ships in commission and of officers and men in the Royal Navy is concomitant with an equally substantial increase in Dockyard and Admiralty officials. The resultant formula I leave for students of higher Mathematics and take up the Directors and Councils with the elementary principles of Comitology. The Committee or Cabinet of five must include experts in finance, foreign policy, defence and law in addition to one ignorant of all these who becomes the Chairman. The organic growth of cabinets is instruc-

tive and the established formula of the co-efficient of inefficiency may be taken to heart by all cabinet-makers. The art of the selection of administrators or, for the matter of that, of any officers needs careful study and the art of drafting an advertisement has to be sedulously mastered. The basis of the Personality Screen is that essential element of modern life,—the Cocktail Party. The Formula for Success will interest many capitalists worried with a complicated pattern of tax-structure which embraces income and expenditure, wealth and poverty, life and death but he may be puzzled with High Finance or the Point of Vanishing Interest. For those interested in Injelititis I leave only the cryptic definition that it is the disease of induced inferiority and I slur over Plans and Plants as one might read a meaning into my remarks which was not intended: it might be safe to keep to the Palace of Westminster of the Pentagon but with New Delhi we are near the brink. So we conclude our deliberations with the contemplation of Anno Domini. If Kipling could create a Venus Anno Domini the administrator can manufacture an effective elixir which will help him to check others' attempts at rejuvenation while he himself does not require the aid of a Voronov or Steinach.

What is the moral of this profound analysis of the Rising Pyramid. Here are some statistics of the expanding Secretariat in New Delhi.



Actual strength of all Ministries etc. including their attached  
offices as on 1st November, during 1947 to 1956.

P=Permanent.

T=Temporary.

	Secy.		Spe.Secy.		Addl.Secy.		Ex-Officio		Equivalent		Total	
	P.	T.	P.	T.	P.	T.	P.	T.	P.	T.	P.	T.
1947	9	9	—	—	1	3	6	—	6	3	22	15
1948	10	9	—	—	1	2	4	1	6	3	21	15
1949	11	10	—	1	2	1	3	1	5	5	21	18
1950	11	11	—	—	1	—	3	2	5	4	20	17
1951	12	9	—	3	—	—	3	3	5	2	20	17
1952	13	9	—	1	—	2	3	3	5	2	21	17
1953	13	12	—	1	—	—	3	1	5	2	21	16
1954	16	11	—	2	—	1	3	1	6	2	25	17
1955	16	12	—	—	—	3	3	1	6	1	25	17
1956	17	15	—	1	1	1	3	1	6	1	27	19

	Jt. Secy.		Ex-Officio		Equivalent		Total	
	P.	T.	P.	T.	P.	T.	P.	T.
1947	6	21	1	6	23	22	30	49
1948	9	23	3	5	23	17	35	34
1949	10	27	3	5	23	14	36	46
1950	10	27	3	6	23	11	36	44
1951	12	28	4	6	22	15	38	59
1952	15	28	4	5	22	19	41	52
1953	15	27	4	10	21	18	40	55
1954	15	32	5	7	21	26	41	65
1955	19	47	5	12	21	37	45	96
1956	20	51	5	14	20	32	45	97

	Dy. Secy.		Ex-Officio		Equivalent		Total	
	P.	T.	P.	T.	P.	T.	P.	T.
1947	23	39	3	5	44	96	70	150
1948	26	46	5	3	50	93	81	142
1949	26	51	5	2	50	90	81	143
1950	28	63	5	2	50	90	83	155
1951	33	59	5	2	53	92	91	153
1952	34	69	6	2	55	95	95	166
1953	36	74	6	4	63	92	105	175
1954	36	98	7	4	64	116	107	218
1955	39	128	7	9	66	161	114	298
1956	54	148	7	13	75	175	136	336

	Under-Secy.		Equivalent		Total	
	P.	T.	P.	T.	P.	T.
1947	49	118	75	221	124	339
1948	50	126	96	241	146	367
1949	54	139	105	240	159	379
1950	61	141	109	221	170	362
1951	71	167	114	204	185	371
1952	77	163	120	202	197	365
1953	85	191	119	233	204	424
1954	88	228	122	275	210	503
1955	97	302	152	330	249	632
1956	127	338	172	369	299	707

Grand Total :	1947		1948		1949		1950		1951	
	P.	T.	P.	T.	P.	T.	P.	T.	P.	T.
	246	553	283	569	297	583	309	578	334	590
,,	1952		1953		1954		1955		1956	
	P.	T.	P.	T.	P.	T.	P.	T.	P.	T.
	354	600	370	670	382	795	433	1043	507	1159

The war-period surplus had to be absorbed and the laudable ambitions of numerous officials satisfied. We find justification for Parkinson in the low percentage increase at the top as compared with the proliferation at the bottom. Here again one must know where to pause in the

process of laborious analysis for with a simple unguarded statement one goes over the brink. I would prefer to linger on Lancaster's illustrations which unfortunately cannot be reproduced in this review.

—N.K. Sidhanta

*INTERNATIONAL CIVIL SERVICE : Principles and Problems ;*  
By TIEN-CHANG YOUNG. Brussels, International Institute of Administrative Sciences, 1958, 268p. £1.16.

Dr. Young's study is to be welcomed; it fills a gap in the scarce literature on the subject and is a valuable supplement to Loveday's "Reflections on International Administration" (reviewed in I.J.P.A., Vol. III, No. 3, July-Sept. 1957). The international civil service being a new profession, its basic concepts and principles are not yet finally determined. Nevertheless, a good deal of experience has been acquired, which should help in building up the service on sound lines. Also, the experience of the international

civil service should be useful to those interested in the administration of national civil services just as the experience of national civil services was helpful in the building up of the international civil service. Dr. Young deals authoritatively and comprehensively with the subject. His approach is historical and analytical; contemporary ideas and controversies are discussed; and an attempt is made to provide an analytical view of the fundamental principles underlying the concept of the international civil service.

A civil service has to be moulded according to its functions and responsibilities. Dr. Young mentions the main characteristics of the international civil service which distinguish it from its national counterpart and for which "it must develop its own pattern and norms specifically suitable for its unique tasks". The international civil service is *international* and not *super-national*; it is built on the basis of contractual relations rather than on the concept of obligatory obedience to a sovereign employer. Prof. Claude has described it as "a bureaucracy without a Government, without a country, but standing alone in an international vacuum". It does not exercise the powerful executive functions of a national civil service. An international civil servant works under the direction, supervision, guidance and control of the head of his Secretariat whose objective, in broad terms, is to further, as far as possible, the aims of the Charter or constitution of the international organisation it serves. The aims are stated in general terms. All this is conceded by the author, who even pleads that the international civil servants should "be inspired by a sense of loyalty to the cause for which the international organisation was created, and devotion to the ideal for which it stands. They should develop an 'international outlook', 'international mindedness', and a habit of daily co-operation with persons of other countries and cultures". He does not, however, carry the idea a step further to see clearly its implications for the staffing patterns and work methods in an international secretariat. Such a secretariat can only function by general agreement among nations and not by exercising any form of compulsion. Thus, the international civil service must not only be efficient, but must also command general confidence, which is not easy

in view of the many conflicting interests—national, regional and ideological.

Though its functions are neither definite nor authoritative, the Charter of the U.N. fully recognises the importance of the Secretariat. It is not merely an executive machinery but a regular organ of the U.N. like the General Assembly, Security Council, etc. Further, its absolute independence is emphasised. The Secretary-General and members of his staff are expected to be completely objective in the analysis or presentation of facts and in the expression of views. No external pressure is to be allowed. Finally, in recruitment and determination of the conditions of service, paramount consideration must be given to securing the highest standards of efficiency, competence and integrity, with due regard to the importance of geographical distribution.

The most important consideration here is independence. Unfortunately, on quite a few occasions illegitimate external pressures have been exercised. Tact, combined with firmness and courage on the part of the head of the Secretariat, is required to resist such pressures. Here the experience of the past will no doubt be of value for the future. But, in this connection, it is also important that to ensure independence, excessive claims are not made on behalf of the staff that are likely to be resisted or resented by Member-States. In this respect, the League of Nations made the mistake of claiming full diplomatic privileges and immunities. As the author shows, international staff now enjoy limited immunities and privileges which are considered essential for the performance of their duties. This needs wider publicity, because the mistaken impression that the international civil service enjoys the same diplomatic status and privileges and



the diplomatic services of member-States still persists.

The requirement regarding geographical distribution has raised doubts in some quarters. It is felt that this stands in the way of efficiency and lowers staff morale. The author lists in detail, in Chapter V, the various devices and measures for reconciling the two apparently conflicting principles of efficiency and geographical distribution. These include programmes of inservice training, competitive examinations for ministerial and junior professional posts and secondment of officials from national services. The recent advances as well as the difficulties in the application of the principle geographical distribution have been noted by the author; but he fails to appreciate that geographical distribution is the *sine qua non* of efficiency in an international organisation, if efficiency is interpreted—as it should be—as capacity to deliver the goods. An international secretariat in which three or four countries have overwhelming representation, or in which particular regions are conspicuously unrepresented, is not likely to command general confidence.

On the question of remuneration (Chapter VI), the League of Nations and the United Nations have tried to follow the principle of equal pay for equal work. Exceptions have crept in; but this should occasion no surprise. The author is apparently doubtful. To him, "departure from the principle of equal pay for equal work which includes the separation of international salary scales from local salary scales and the interplay of wage policy with social policy is also debatable". But in a world of startling diversities the application of such a general principle will present difficulties. In the beginning, international staff functioned almost exclusively at the headquarters and was recruited, for the most part,

from countries near the headquarters. With the inevitable improvement in geographical distribution and the employment of international staff for long periods in all parts of the globe, more and more exceptions will be necessary. Obviously, the element of repatriation, the variations in the cost of living and salary levels in different regions are factors that cannot be ignored.

Both in the League of Nations and the United Nations, salary scales were fixed "on the basis of the best paid service in the world". This the author considers to be the right policy, "because in the final analysis it is undeniable that the quality of service depends in no small measure on material reward". There is force in this argument, but the wide disparity in scales of pay between rich and poor countries and the fact that the latter are in an overwhelming majority create a problem. An international civil servant functioning in a country in which the scales of pay of the national civil servant engaged on similar work is very much lower, is bound to attract unfavourable attention. Since an international organisation depends on goodwill rather than authority, a subdual of the mercenary interest in the interest of the job itself might also be emphasised.

The question of participation in political activities has attracted much attention and controversy. The present Secretary-General came out boldly with the view that the international civil servant should not participate in any political activities, apart from exercising the right to vote. He should either abandon such activities or resign. This was challenged by many. It was argued that membership of a political party was the most discreet expression of political views possible and represented the minimum exercise of a fundamental freedom protected by

the Charter of the U.N. After much discussion, the compromise reached was that membership of a legal political party may be allowed, provided "it does not entail subjection to party discipline or action in favour of the party, other than the payment of the normal financial contribution". In India a somewhat similar, though basically different, issue was raised recently in the Patna High Court, on a petition by some Government servants that the prohibition by Government of strikes and demonstrations was illegal, as it violated some of the fundamental freedoms guaranteed by the Constitution. It is interesting to note that the decision and arguments of the Patna High Court were very much in line with the views expressed by the Secretary-General.

Chapter VII on 'Career Service versus Temporary Appointment' contains an interesting discussion of the relative merits and demerits of promotions from within versus inflow of fresh talent from outside, at the various levels of the international civil service, as also of the authority of the Secretary-General to terminate an appointment 'in the interest of the United Nations', or "if the staff member does not meet the high standards of integrity required by Article 101, paragraph 3, of the Charter". Recent developments in regard to efficiency rating and five yearly review of the member's service are also mentioned. Dr. Young is strongly in favour of an independent permanent civil service commission elected for a fixed term by Member States, and for the establishment of a "single international civil service, analogous to a national administration". The first proposal merits consideration. The latter proposal has not been worked out in any detail and seems hardly practicable in the present stage of internationalism.

In the U.N., elaborate machinery has been set up to protect, as far as practicable, rights of the staff against arbitrary measures. Here, the administrative staff tribunal is considered to be as one of the most effective safeguards; the necessity for it arises from the nature of contractual relationship between the staff and the management and the fact that an international organisation is not suable in any court. But we must not forget that in such matters the machinery is not so important as the spirit in which the two sides—the management, and the staff—approach their common problems; and this spirit, for the most part, has not been lacking. It is indeed a healthy sign that the Federation of International Civil Servants' Association, in its statute, places in the forefront its duty to "help to attain the aims set forth in the Charter of the U.N. and the Constitutions of the Specialised Agencies."

Dr. Young's book is a mine of information and ideas on contemporary practices and problems of the international civil service; the analysis is pragmatic and tempered with a touch of administrative philosophy. The approach, however, suffers from a basic defect. Although Dr. Young fully realises that the character of international administration is fundamentally different from national administration, throughout his analysis and appraisal of current issues of the international civil service runs the idea of applying the principles of national administration to this sphere of international activity. The concept of geographical distribution as an essential requirement of efficiency in international administration does not receive the emphasis it deserves; he can hardly reconcile himself to the inevitable exceptions to the principle of equal pay for equal work; the

unified international civil service must also be analogous to a national administration. Where then is the wider perspective of an international civil service with its own "pattern and norms"? The diversity of political, economic and social factors, which provide a different setting with different functions for the international civil service and which are

discussed in the book in some detail, are not adequately taken into account in the formulation of concepts of international administration. And it is hardly safe to call them 'principles' when even in the realm of national administrations we have come to believe in 'concepts' and trends.

—S. Lall

*THE SCOTTISH OFFICE (New Whitehall Series);* By SIR DAVID MILNE. London, George Allen and Unwin, 1957, v. 225p. 21s.

Sir David Milne has served since 1946 as the Permanent Under Secretary of State for Scotland. Few can, therefore, claim to be better qualified than Sir David to give a authoritative account of the Scottish Office. The task, however, is not easy. The Scottish Office has no parallel in British administration, and perhaps none in the administration of any country in the world. It is not the headquarters of an autonomous administration functioning within a federal structure and responsible for a particular geographical area. And yet, the Secretary of State for Scotland "is popularly regarded as 'Scotland's Minister'." Any matter which affects Scotland directly or even remotely attracts his responsibilities. The result is, as Sir David has stated, ".....both the Secretary of State and his departments have to go delicately between two extremes. If they seek to intervene unduly in matters for which other Ministers are responsible, they will be an intolerable nuisance to their colleagues; if they fail to intervene when their close acquaintance with Scottish conditions makes intervention seem desirable, they will be blamed, and probably justly."

It is this delicate balance which makes the study of Scottish Office a subject of unusual interest. A reader of "The Scottish Office"

would be pardoned if he expects a fuller account of the "no-man's land", as Sir David calls it, than is available in this book. It must be recognised, however, that no account of what must essentially be a matter of day-to-day adjustment can be fully satisfying. The book, therefore, rightly concentrates on the field which is more clearly defined, and in this field it provides an account which, in its broad sweep and in its wealth of detailed information, not only impresses the reader with the vastness of the responsibilities of the Scottish Office and of the Secretary of State for Scotland, but leaves him at the end of his study much better informed than before of the variety of the problems of Scottish life.

The book is divided into seven parts. The first gives an introductory as well as a historical account of the Scottish Office as it is to-day. The next four parts are devoted to the four main Departments of Scottish Office, namely, Agriculture, Education, Health and Home. These Departments among them cover the major part of responsibilities of the Secretary of State. The Sixth and the Seventh Parts deal with the remaining responsibilities of the Secretary of State. The Sixth Part contains an account of the Forestry Commission and the Crown Estate Commissioners, apart from indicating



briefly the work and activities of smaller Scottish Departments and Offices, such as the General Board of Control, the Department of Registers, the Scottish Record Office and the Registrar-General for Scotland. The last part deals with the Law Officers and the Lord Advocates Department, and is of special interest, for the Lord Advocate was once responsible for many of the functions which now fall to the Secretary of State.

To the Indian administrator and to all those in India, who are concerned with the machinery of Government and its activities, perusal of this book will be highly rewarding for two reasons. First, in its Chapters on the Departments of Agriculture, Education and Health and not any less so in the chapters on the Department of the Scottish House Department, they will find a graphic picture of the contents and programme of administration in a modern welfare state. India has started her journey on this road to a welfare State. Her agriculture is by far the most important industry in the country, and will undoubtedly remain so in spite of the rapid growth of heavy industries. In India, we are, therefore, greatly interested in the development of agriculture, and particularly in the problem of State aid to and control of agriculture. The chapters on the Department of Agriculture have much to say how, admittedly in a different context, but with similar objectives in view, the problems of agricultural production are tackled in Scotland. Similarly, in matters of health which include such programmes as Town and Country Planning, Housing and Water Supply, the study of the functions of the Scottish Department of Health is of considerable interest to the Indian planners and the Indian administrator. The Scottish Home Depart-

ment has also its share of welfare activities. As Sir David Milne remarks "And it is perhaps not a bad thing for its immortal soul that a Department whose normal functions tend to be of a regulative or negative character should have an opportunity for constructive social work." The work of this Department for the care of children in Scotland is an instance of such constructive social work which deserves to be mentioned.

It is, however, to those interested in politics and in the structure of Indian Government that the book will have its greatest appeal. The basic problem which has created an institution like the Scottish Office is by no means unknown in India. It is the problem of the existence of a geographical area which is essentially a part of the nation to which it belongs, but which has characteristics and problems of its own, which mark it off sufficiently from the rest of the Nation to justify special arrangements for their treatment. In essence, this is the problem which gives rise to Federations in larger countries, and to various administrative arrangements of decentralisation in others. Admittedly, the problem in each country has its own peculiar features. The Indian Constitution has federal characteristics and is a union of States. Even within a State, the area is large enough for decentralised administrative arrangements. In fact, the current view in India is in favour of greater administrative decentralisation, and we are constantly experimenting with various forms of decentralised administration. "The British approach to public administration has always been empirical rather than doctrinaire", Sir David tells us. "For many of the activities of Government in Scotland, the Secretary of State is.....himself responsible to Parliament; for others,....., a United

Kingdom or Great Britain Minister is responsible. But there may be a middle way, more suited to certain kinds of State activity—a condominium under which the Secretary of State and an English Minister are jointly responsible for policy in Great Britain and separately concerned with matters peculiar to their own territory”.

This brief description of the Scottish administration shows that it conforms to no accepted pattern. And yet in a process of historical

evolution it has proved to be the answer to the Scottish requirements. The Scottish pattern cannot obviously be reproduced in India, but the lesson may well be that the pattern which India evolves to suit her own traditions and her needs may be no set pattern designed by administrative or political doctrines, but one evolved in the field to meet the conflicting demands of national unity and territorial divergence.

—R.C. Dutt

*ADMINISTRATIVE ORGANISATION: A Comparative Study of the Organisation of Public Administration;* By POUL MEYER. London, Stevens, 1957, 323p. £2.5s.

Dr. Poul Meyer is a civil servant in the Danish Ministry of Agriculture, and at the same time an Assistant Professor in the University of Copenhagen. He has besides “made post-graduate studies” in Sweden and studied public administration in the U.S.A. With this happy combination of academic knowledge and practical experience, he attempts the task of “establishing a scientific foundation for the study of the types of organisation applied by public administration”.

Dr. Meyer is concerned with administrative organisation as a structure. “Every administrative situation has two aspects, *structural and functional*”, but the structure of a dynamic body is largely moulded by its functions and the dichotomy is difficult. In his book Dr. Meyer considers *function* only so far as it bears on *structure*. “Our aim is in no way to give a complete account of administrative science. The operational activities or the dynamics of administration is, therefore, out of the scope of this book whilst still within the concept of administrative science. The same is true of an ana-

lysis of decision-making (the decisional process)”.

So this is a morphology of public administration, derived from a study of actual forms obtaining in Britain, Western Europe, Scandinavia and the U.S.A., and illustrated with some examples from other countries besides these. As it is a purely ‘typological’ study, an exhaustive and detailed comparison of actual systems would be out of place and is not attempted.

The introductory chapters lead on to a consideration of the terminology of administrative science. Here, among other things, Dr. Meyer draws a useful distinction between ‘Decentralisation’ and ‘Deconcentration’ of powers. The former signifies the *cession* of certain powers by the central authority to local authorities, who are thereafter not subject, in those matters, to the directions or appellate powers of the central authority. ‘Deconcentration’ on the other hand means a mere *delegation* of powers to the local by the central authority, which reserves the right to issue directions or reverse decisions. Efficient working

of a highly centralised administration demands a large measure of deconcentration.

One of the best chapters in the book is devoted to the concepts of 'Rationality' and 'Efficiency' as applied to public administration. Dr. Meyer observes the *complete* rationality has no place in practical administration. (But then has it a place in any kind of human activity?) He also says that administrative activity may be efficient without being rational. And the measuring of efficiency is by no means easy in public administration: "Citizens complain that public administration is slow, cumbersome and expensive, and in doing so they apply the usual economic measure by which to compare the costs in terms of time, labour and capital on the one hand and the output on the other hand; but while the input may be measured, the output defies any such attempt."

This brings Dr. Meyer to the question "How do administrative organisation grow?": and, alas, the answer is, too often irrationally. It starts with the well-known quotation from Sir Ivor Jennings viz.

"In the last analysis the State consists of John Smith, his wife and children. As every John Smith knows, a drink of water at bed time may cause more rumpus than the expropriation of an oil company or a war in the Balkans. Excessive concentration on one's private affairs and lack of attention to national and international affairs are to be deprecated; but it is easy for the politician and the administrator to go to the other extreme and to forget that John Smith has his own affairs."

Long standing bureaucratic systems preserve cosy nooks of sinecures to which unwanted men may be "kicked upstairs." And then there is

'administrative empire building'. In this chapter is reproduced, from the columns of 'The Economist', London, the famous letter enunciating Parkinson's law,—a brilliant commentary on the administrator's power to multiply subordinates and not rivals and to make work for each other. After reaching the conclusion that staff increases automatically at 5 % per year, regardless of the work the propounder of the theory goes on to say that the study was purely objective. "No attempt has been made to enquire whether departments ought to grow in size. Those who hold that this growth is essential to gain full employment are fully entitled to their opinion. Those who doubt the stability of an economy based upon reading each other's minutes are equally entitled to theirs. Parkinson's Law is a purely scientific discovery, inapplicable except in theory to the politics of the day. It is not the business of the botanist to eradicate the weeds. Enough for him if he can tell us just how fast they grow." This is one of the chief attractions of the book.

Part II deals with 'Administrative Division of Work', and here we get brief glimpses of the mysteries of 'staff and line': then there is the thorough digest of other peoples' opinion that one has come to expect by this stage. The "determinative", "interpretative" and "applicative" functions are distinguished. A typical example is the statement below.

"While there is a fear in the U.S.A. that the existing trends entrust the staff units with increasing administrative authority, there is in many European countries every reason to fear a concentration in the Government departments of cases which should be decided—in any case in the first round—by subordinate agencies or local authorities. Experience seems to show that it is easier to clear the government



departments of the European type of administrative cases which should be decided on a lower level than to get rid of the delegated or factual authority in the American 'Staff Units'."

Of particular interest to us in India is the chapter on "Expertise Interest Representation."—the role of the Expert in administration. Dr. Meyer has no doubts. "Technical experts are usually one sided; owing to their whole education, they have been trained to see problems from one angle only. Such one sidedness may be dangerous in public administration". And in a later chapter: "Universal experience suggests that the expert organisations should be placed at such a distance from the chief executive that the cases may receive a thorough treatment by general administrators before being brought before the chief executive. Furthermore it seems to be important that this treatment is given by persons who represent units which are hierarchically superior to the expert organisations and not by staff offices or personal assistants. Finally, the general administrators placed between the expert organisations and the chief executive should be supplied with secretariats of a reasonable size and be able to draw upon scientific advisers, research institutions and other auxiliary services."

Part III concerns 'Administrative Authority', and is largely descriptive, though while speaking of 'Hierarchical authority' the author comes back to general principles. He points out that though the formal hierarchical authority moves from above downwards, "authority in the psychological sense can be exercised also from bottom upwards. In fact, this movement is undoubtedly more frequent". When a superior passively accepts recommendation he has received from his subordinate in a concrete

case, the subordinate has exercised 'psychological' authority over him.

The chapter in this part dealing with 'Collegiate authority' is also largely descriptive, but Dr. Meyer goes on to analyse the advantages and disadvantages of the 'Board' or 'Polycratic' system, as compared to the 'Monocratic' system where final administrative authority vests in an individual.

Part IV is titled 'Administrative Hierarchy', and in the opening chapter the importance of having a permanent official hierarchy, politically neutral, is explained. For those of us who thought that the 'spoils' system was outmoded in the United States, it is interesting to learn that the system not merely exists still, but has been given a certain ideological basis. "From being a caricature it has been turned into a political and administrative principle." Again, "when the long lasting democratic regime was superseded by General Eisenhower's republican administration in 1953, it meant that many thousands of employees in the federal administration were replaced by loyal republicans.....Furthermore, the President ordered the establishment of a new category of jobs exempt from the merit system, and ordered the transfer to it of all positions 'of a confidential or policy-determining character'. In most agencies, positions ranking with that of bureau chief have been so transferred." A mass of information on the constitution of departmental hierarchies in various countries has been included.

But more interesting from our point of view is the account of how the permanent 'bureaucracy' in Denmark ran the civil administration during the German occupation in 1940-45, confining itself "strictly to the adoption of measures which were absolutely necessary for the

maintenance of normal life...Afterwards, no complaints were heard from the 'dethroned' politicians or from the public."

Dr. Meyer is prepared to admit that in Europe the importance of having a permanent official hierarchy is over-rated. But on the balance he is in favour of the European as opposed to the American system.

In Part V we are told all about 'Administrative Decentralization', which may be either 'Vertical' (by transfer of powers to local authorities), or 'Horizontal' (by the vesting of independent powers in agencies which are outside the regular administrative hierarchy).

'The Ways of Centralization' are next described, under three headings. The first, 'administrative tutelage' is relevant to Indian conditions: but more so is the second 'Grants-in-aid', which is all too briefly disposed of by the author. Under the third heading 'disintegrated co-ordination' is included co-ordination by committee (meeting regularly), or by conference (meeting occasionally). According to Dr. Meyer, an extensive use of this method indicates the shortcomings of the administrative system. If there is an excessive 'proliferation' of units on the same 'hierarchical level', it goes beyond the 'span of control' of the chief executive to whom these units are subordinate. The chief executive has no time, though he has the authority, to decide points of disagreement between these units: and hence arises the need for co-ordination

committees to decide such disputes without "bothering" the chief executive.

Another method of 'disintegrated co-ordination' is inspection, meaning here inspection by an official who is outside the integrated hierarchy, and who has himself no power but to report to the appropriate authority within that hierarchy. Dr. Meyer recognises that in fiscal management such a system of inspection, namely, outside audit, is quite legitimate. But he does not recommend such outside inspection for purposes other than finance and accounts.

The concluding chapters describe the Collegia, in which category come Administrative Tribunals, Regulatory Commissions and Public Corporations.

Dr. Meyer's is a learned book. The history of administrative traditions is retold in some cases from Hammurabi (2000-3000 B.C.) downwards or almost equally ancient Chinese institutions. His passion for accuracy results sometimes in considerable semantic output. The administrative organisations of the U.K., U.S.A., Scandinavian countries and eastern Europe have all been fully studied and even though there is no bibliography the weight of learning is palpable throughout. There are a few misprints and mistakes in grammar and a useful index of subjects. This will be a useful reference book for academic courses in public administration.

—K.S.V. Raman

*MANAGERS—A Study of Their Careers in Industry*; By R. V. CLEMENTS. London, George Allen and Unwin, 1958, 200p. 20s.

This Study of Careers of Managers is, as far as I am aware, the first study of this kind. It is an inductive Study and despite the limitations of the method used comes to sound

conclusions in regard to the historical development of the managerial class, in the main industrial centre of the United Kingdom, from the various strata of society. As the

Study was based on personal interviews, its coverage could not be very large and in this particular case, it was confined to Lancashire and the northern fringes of Cheshire and concentrated chiefly upon Manchester and its environs. Another point worth noting is that at the time of undertaking the Study, no definition of the term 'Manager' was worked out explicitly. Consequently, the sort of people interviewed included not only working directors, sales and works managers, but also heads of laboratories and their seconds in command, accountants, company secretaries, chiefs of testing departments, chief designers and the like.

As the author points out, the enquiry was planned to illuminate, if only locally, such problems as : whether there were grounds for the belief that there were a few 'ideal types' to which most managerial careers in the sample conformed; whether there was some kind of qualitative and quantitative estimate possible of the historical changes in the career of managers; whether the charge that the British industry is run by accountants or that generally top managers are recruited from selling or commercial work is tenable; whether the angle of production and research programme and faults in designs and development can be attributed to commercial-minded top management; whether it is possible to deal with the problem as to how far men with all the apparent advantages of social position and education fail to establish themselves as successful managers; and so on.

After posing these questions and some more, the author categorises managers according to the patterns of their career into five broad classes : (1) the Crown Prince; (2) the ex-Manual trainee; (3) the expert trained before entering industry; (4) the special entrant and (5) rising from the bottom. He then

goes on to deal with certain wider aspects of the problem, such as social origins and the careers of the industrial managers, mobility and specialism, managers in different sorts of work and elites in management.

The broad conclusions of the Study are contained in Chapter XIII—Historical Survey and Conclusion. Historically speaking, as a result of the recession of the 1920's, as employment opportunities moved from one place to another and from one industry to another, the movement towards concentration that had already begun became intensified. Works were closed, control passed into fewer hands, organisation was tightened up and rationalised, staffs were decreased, with the result that the proportion of men promoted to commercial management began to fall, and continued to fall throughout the 'thirties, but the rate recovered in the last half of the 'thirties. Production rather than selling came to the forefront. Under the same influence, recruitment to technical management expanded throughout the same decade. Management training schemes which had under grinding economic necessity barely held their ground contributed a rather smaller proportion of managers in response to the demand than they had done earlier. The ratio of men promoted from the bottom also fell. The greatest gains were amongst men who had specialist qualifications before they entered industry. Moreover, fewer managers came from the middle-class in the 1930's; but the proportion of men of the lower middle class origins increased. Similarly, sons of fathers in skilled manual occupations more frequently became managers. These changes were reflected in the educational backgrounds of the new managers of the decade. University degrees became more common. Not only



was industry calling upon the trained specialist but university men were turning more to industry for employment. The advent of war produced big changes in the pattern of recruitment. A great many young men who were just below management level left industry and joined the forces for five, six or seven years. The short supply of good potential management material meant that recourse was often had to older men who had previously been passed over. The period after the war, however, saw a readjustment. Between the years 1945 and 1949, three times as many managers were appointed as during the war. The patterns of the careers and the educational backgrounds of the new men differ a good deal from those of the older appointees of the war years. The proportion of men with scientific or financial qualifications has climbed to the level that might be considered normal in pre-war years.

One of the conclusions of the enquiry is that industrial management like most other institutions has been profoundly influenced in its development by short as well as by long term factors. Although this could not be termed as a very profound conclusion, the manner in which it has been arrived at and the painstaking study that has gone into it does credit to the author. His

more far-reaching conclusion that the most important management problems facing industry today appear chiefly to be long-term ones and can probably never achieve clear-cut solution, will put heart into those who are trying to tackle this important problem in our country. It is not seldom that one hears complaints about lack of managerial skill, managerial opportunities and lack of training facilities. Great advances have been made in all the directions in recent years in this country, as is evidenced by the setting up of the various associations of Management, Management Training Courses in Universities and other institutions and so on. It is well to remember that there are no short-cut solutions to a problem in which are involved so many diverse factors of training, human behaviour and social organisation. If even in a country like England, the author could report a lack of systematic provisions for training or selecting men for management, it is not surprising that in India too, the situation is not much different.

On the whole, the book is well worth a study by all those who are interested in management movement and training.

—G. L. Bansal

*THE MINISTRY OF PENSIONS AND NATIONAL INSURANCE* (New Whitehall Series); By SIR GEOFFREY S. KING. London, George Allen and Unwin, 1958, 162p. 18s.

This book, the latest of the New Whitehall Series, is a welcome addition to the steadily increasing number of informative books on the administrative machinery of the U.K. Government. The Ministry of Pensions and National Insurance is concerned, more than any other department of Government, with the daily life of the common man, for it

is responsible for collecting the weekly insurance contribution from some 24 million people, for paying sickness benefit at any one time to over 800,000 persons, and for handling over 3 million families drawing family allowances and 800,000 war pensioners. About £630 million are collected annually in contributions and £850 million paid out in

cash allowances. It is the function of the Ministry to ensure that this truly stupendous task, involving as it does collections from, and payments to, millions of people, is carried out efficiently and punctually to the satisfaction of the beneficiaries living in every nook and corner of the country.

The book has been written mainly from the point of view of the administrator, and the author has, therefore, referred to only such details of the various schemes as have a direct bearing on administration. While the account is adequate for persons familiar with the functioning of the schemes, a somewhat more elaborate treatment of the various subjects, as for instance, the working of the central offices at Blackpool and New Castle, might have enabled readers outside official ranks to understand and appreciate more effectively the problems facing the Ministry. Nevertheless, the administrative arrangements and the special system of adjudication, which is the back-bone of the National Insurance Scheme, have received adequate attention at the hands of the author.

Against the background of the general suspicion of the ability of civil servants "to handle humanely the large section of the public that would resort to the Ministry in sickness, injury and old age", it is a great achievement on the part of the Ministry now to be able to declare that "these fears have been confounded by experience." The portion describing the elaborate arrangements required for the launching of the various schemes, the complexities involved in the taking over of the large number of approved societies with the varying rights of their members, the problems created by the frequent changes in rates of benefits, and the determined way in which they were tackled makes interesting

reading. We in this country who are still engaged in the implementation of a comparatively limited social security scheme are greatly interested to know how a much larger problem has been handled apparently to the satisfaction of all concerned.

In India, we have no Ministry in which all payments of pensions and benefits are concentrated. We are still in the position in which U.K. found herself before the formation of the Ministry of Pensions and National Insurance in 1953. Even in the field of national insurance, the scope of our social security scheme is very limited. We have not yet been able to make any provision, on a nation-wide scale, for unemployment benefits, retirement pensions or family allowances. There are certain features which distinguish our social security scheme from the national insurance scheme of U.K. In U.K., the functions of deciding the merits of a claim and of making payment have been completely separated, the former being performed by a hierarchy of statutory authorities, viz., the Insurance Officer, the Local Tribunal and the Insurance Commissioner, while the latter is attended to by the managerial staff. The functions of the statutory authorities are mainly judicial and though some of them are civil servants working under the Minister, they are independent in the discharge of their functions. There are indications in the book of proposals to further strengthen the independence of these authorities. The recommendations made by the Committee on Administrative Tribunals and Enquiries "would have the effect of removing from the Minister most of the responsibility for the conduct of local tribunals." In India both the functions are combined. It is the Local Office Manager and the Regional Director who decide all claims and make payments. Though they are never interfered

with, they are subject to guidance and direction from headquarters. The claimant can also seek further redress in an Employees' Insurance Court which, though independent in all respects, functions like an ordinary civil court having no specialized knowledge of social security. Similarly in respect of employment injuries, the two questions which arise, viz., whether the accident arose out of and in the course of employment and if so, what is the extent of disablement, are somewhat differently dealt with in the two countries. In U.K., the first question is decided by the statutory authorities mentioned above, while in India it is the Local Office Manager, controlled by the Regional Director, who decides the issue. As for the second question, there are medical boards in both the countries to decide the extent of disablement. The working of a large number of medical boards in this country has led to lack of uniformity and to a demand for effective co-ordination. It is not clear whether the same problem has arisen in U.K. or how it has been solved.

On the administrative side, we broadly follow the British pattern of having self-contained local offices. There is, however, no concentration of records as at Blackpool and New Castle; nor have we attempted large-scale mechanization. At present contribution cards are centralised at the Regional Offices and efforts are being made to decentralise the procedure still further by remitting records to local offices.

The emergency arrangements to meet the influenza epidemic men-

tioned at page 38 make interesting reading as we too were faced with a somewhat similar situation last year. While the manner in which the emergency was dealt with has been briefly mentioned, we should have been greatly interested to know whether there arose complaints on a large scale, whether prompt arrangements were possible in all cases, whether the reinforcement of local offices in certain areas resulted in undue depletion of staff elsewhere leading to consequential complications, and whether recruitment of additional staff on a temporary basis was found necessary or feasible.

It is interesting to note how human frailty poses the same problems in U.K. as in India despite the high economic standards prevalent in the former country. It has been mentioned that "out of every 100 people referred for further (medical) examination, some 20 send in final certificates, about 18 do not bother to attend and their benefit automatically ceases, about 12 attend and are declared fit for work and the remaining 50 continue on benefit." Our experience too is exactly the same, viz., that 60% of the cases return to work on the intervention of medical referees.

Though the book is inevitably replete with technical and departmental phraseology, the language used is simple and every effort has been made to make the treatment of the subject as interesting as possible. We welcome it as a clear exposition of a subject so vitally affecting the interests of a large section of the population.

—K.N. Subramaniam



*NATIONALISATION AND THE MANAGERIAL ROLE*; By J.V.S. RAMA SASTRI. Bombay, Popular Book Depot, 1957, 119p. Rs. 6.

The main purpose of Mr. Sastri is to compare the content of the management role in the private and the nationalised enterprises. He is concerned with the managerial functions, exclusive of internal administration *i.e.*, the entrepreneurial task of deciding on and taking a risk. The chief essentials of this function are mentioned as "co-ordination of factors of production, economic decisions, assuring financial stability and harmonising diverse interests." His main conclusion is that despite dissipation of managerial process in the private sector between the shareholders, directors and managing agents, and the limitations placed by law on public and social considerations; in the private sector, there is greater managerial initiative than in the nationalised sector. Incidentally he also deals with the question of suitable form for public enterprises. This work is a compilation of essays written from time to time and preserves rather heavily a good deal of digression of which the author is occasionally conscious.

Anyone presenting a theoretical study of the managerial role deserves sympathy for two reasons, (i) in this very young field of management, theory has not yet emerged, though some criteria are getting established, (ii) one gets out of dates so soon. Mr. Sastri has added to these handicaps by not distinguishing nationalised from original entrepreneurial role. His "aside", in the preface, that setting up of a public enterprise may be considered as a form of nationalisation for all practical purposes confirms absence of adequate analysis in distinguishing the two roles. In nationalisation, the primary managerial functions arise from the huge size and heterogeneity of the merged

units. The main problems are concerned with integration—organisational, technical and human. The nature of entrepreneurial content is different from that of the original. It is for this reason that the experience of nationalisation in U.K. is less relevant for our needs than, for instance, the experience and practices of giant scale organisations, may be even in the private sector, like the General Electric in U.S.A. or the Imperial Chemicals in U.K. and so on.

Mr. Sastri quotes enough authorities to bring out—and I believe correctly—that nationalisation in U.K. was a technical and organisational necessity. Nevertheless he does not hesitate in holding a firm view about nationalisation which is represented as "pre-conceived and pre-determined plan"....."having little regard to.....economic reason....." One is not certain which country he has in mind. Apparently it cannot be U.K. If he is referring to India he has not taken into account either the Industrial Policy Resolution or the discussion in the public and in the Government that preceded its finalisation. In any case, nationalisation is not the main purpose of the Industrial Policy Resolution in India.

In making this comparative study, Mr. Sastri draws general conclusions on the basis of individual instances where certain commercial or other decisions of the Board of Directors of a nationalised concern were overruled by the government. It is rather surprising that he should do so because he spent a good deal of effort, though unsuccessfully, in rebutting Mr. Burnham's thesis in his work "The Managerial Revolution" that in practice the management has passed over from the owners to the

Managers. He has tried to establish that the owners still have control; at any rate, he would like the owners to continue to play the managerial role. In regard to the "nationalised" sector, however, he would like the owner *i.e.*, government, to renounce the role of ownership. It is not suggested that there is no need for making arrangements which minimise the impact of political considerations and short-term outlook in the management of public enterprises.

Secondly, he has not applied, the test of "objectives" ever based on the rather incomplete analysis of the "managerial role". He has thus missed the "extraordinary entrepreneurial initiative shown by the nationalised Boards.

There is another major error in the comparative study. In comparing the scope for managerial initiative, he mixes up the level of managers when he compares the two sectors. He compares the top-management level of the private sectors with the level of the managing directors or the Board of Directors in the public sector. A comparative study has first to discover where those entrepreneurial decisions are taken. He should have taken into account the entrepreneurial role being played by the Ministries, by the National Industries Development Council, the Railway Board, the Boards of Directors of various concerns and the Managing Directors and their teams. An entrepreneurial initiative is not a question of putting the last signature on a decision. It involves integration of number of skills. Persons who are responsible for initiating and influencing the process of decision making make possible the entrepreneurial role. This is one of the major reasons why the management role has shifted away from the owners. Reputedly effective entrepreneurial organisations

like the Imperial Chemicals (U.K.) the General Electric (U.S.A.) have Boards of Directors who are whole-time servants of the Corporations.

In regard to the suitable form of public enterprise, Mr. Sastri regards the public corporation type as "the least divergent of all the forms (*i.e.*, the departmental, company and the corporation) from the system of private enterprise in maintaining managerial functions. If the provisions in the Corporations Act and the Article of Associations had been analysed, it would have become clear that the degree of decentralisation has no relationship with the term corporation or company but is related to the needs of individual enterprises. The joint stock company is considered of no benefit from the angle of "managerial convenience"; unsuitable because the Directors are not owners. Mr. Sastri claims that the company form of management deprives the Parliament of its legitimate right to check and supervise the enterprise. Apparently, Mr. Sastri leaves out of account the extraordinary initiative taken by the Estimates Committee in regard to public enterprises, almost to the extent that the powers denied to the Minister, have been permitted to the Estimates Committee when they go in for scrutiny. The Estimates Committee has permitted itself no limitations. One does feel uncertain as to the propriety of isolating the Minister while allowing the Estimates Committee to do what amounts to detailed supervision and retrospective assessment of individual decisions as distinguished from judging the management by the test of the objectives.

The issue of the suitable form of organisation for public enterprises is not often considered in relation to the ends to be secured and the strategic factors required for securing these ends. The discussion normally centres round the term autonomy,

an undefined, if not undefinable concept, which, at best, is relevant as a means to an end. The test of an appropriate organisation is its effectiveness. Assessed from this criteria in India itself we have examples of effective departmental management as in the case of Chittaranjan Locomotive Works or Integral Coach Factory or Bhakra Dam or Hirakud Dam, and also of company form of management as in Sindri, and so on.

In regard to public sector in India, it is recognised that the normal administrative and financial procedures in regard to methods of recruitment, scales of pay and conditions of service and discipline of employees, the procedure for obtaining for funds and incurring of expenditure, the system of accounting, the methods of purchase of raw materials and the sale of products, etc. devised for the departmental administration, after long experience, are not quite suitable. Moreover, when a government undertakes an industrial activity in which it may have to compete with the private sector, it is necessary to establish reliable standards of comparison in order to secure maximum productive and competitive efficiency. This can be secured if

the enterprises are managed on commercial lines, adopt commercial forms of accounting and are operated, financed, taxed and audited in the same manner as enterprises in the private sector. It is accepted that the largest measure of financial and administrative autonomy should be conferred on the management.

The joint stock company is regarded as suitable for enterprises concerned with manufacture and sale or where the concern is financed by more than one government or where a private enterprise is associated. In undertakings for which powers and functions of a company may be inadequate, such as, (a) public utility undertakings, (b) enterprises which involve exercise of powers which can only be conferred by legislation, (c) enterprises which may not be commercially self supporting and have to be financed by regular grants from the government, etc., a statutory corporation would be necessary.

Is this a valid approach?

It is not the form that is really significant but the tests of speed in decision making and action; balance between speed in decision making and quality of decisions; adaptability for growth and building up of personnel.

—P.C. Suri

## BOOK NOTES

*HUMAN RELATIONS AND MODERN MANAGEMENT:* By E.M. HUGH-JONES. Amsterdam, North-Holland, 1958, x, 256p.

It is a collection of eight original, thought-provoking contributions, with one exception all by academicians with specialised study of the subject to their credit. The general theory of management is first outlined in terms of 'span of control'; and the problem of widening and deepening the 'span', to avoid resort to splitting up the organisation, is

discussed in detail. Then follows an analysis of the particular setting of work—the factory—with its multiplicity of relationships; morale is viewed as a factor of security and participation in the preliminary stages of decision-making process. In the three succeeding chapters the implications of human relations for management are brought out with particular reference to three situations—the shop floor, when labour is organised, and in the Board room. A full chapter is devoted to the problem of the inter-action between



the size of the enterprise and human relations. In the final chapter is considered the function of management in the field of human relations; the different ingredients of the concept of human relations are analysed. The main theme centres around the integration of the objectives and interests of the company and its workers through the maintenance of productive relations at work, opportunity for self-realisation, and appropriate, possible, and just rewards. Motivation and morale, we are told, depend not on what the company does *for* its employees but what it does *with* its employees. At the end of the chapter are listed in detail, in two columns opposing each other, the assumptions for inadequate and adequate human relations policies and practices.

*SOME ASPECTS OF THE INDIAN ADMINISTRATIVE SYSTEM*; By SRI RAM SHARMA, Sholapur, Institute of Public Administration, 1957, vii, 160p. Rs. 5.

The book is divided into two parts. One part consists of 10 studies which attempt to describe, analyse and appraise various administrative practices in India and suggestions for reform made during the last decade or so. These studies cover: big government and its civil servants; public enterprises; treasury control and auditor-general; public service commissions; parliamentary control of public administration; planning commission; an American appraisal of Indian administration; and some post-Independence problems. The second part contains simplified and abridged versions of the two Appleby reports, a digest of the Gorwala report on public administration and Mrs. Ursula Hicks' papers on "The Institutional Framework of Indian Public Finance". Prof. Sharma's criticism of some of the observations and recommenda-

tions made by Mr. Appleby, is sharp but thoughtful. The publication suffers from some overlapping resulting from the arrangement of the subject matter.

*MANAGEMENT AND ORGANISATION*: By LOUIS ALLEN. New York, McGraw Hill, 1958, xi, 353p. \$7.00

The book is based on a first-hand study and investigation of key factors in the development of some 230 companies and the methods of management and organisation that enabled them to assume a commanding position in business. The author, who holds a top position in a large business undertaking, analyzes the new, unified concept of management into five major elements: 'planning', 'organising', 'co-ordinating', 'motivating' and 'controlling'; the non-management components of a manager's job comprise 'operating'; and his total work is termed by the author as 'administration'. There are interesting chapters on divisionalisation, delegation, centralization and decentralization, staff and line relationships, and top management organisation. The last two chapters are devoted to the problem of changing organisational structures to meet new demands and situations. The contemporary policies and practices of some of the leading American companies are cited (with names) in support of the concepts and conclusions put forward by the author.

*THE FRENCH POLITICAL SYSTEM*: By MAURICE DUVERGER. Chicago, University of Chicago Press, 1958, xii, 227p. \$4.00.

Written expressly for American students, it is a realistic and critical analysis of the strengths and weaknesses of the French political system—its institutions of government, the forces that impinge upon its

political process, theories and concepts of French democracy, the mechanisms for protection of personal rights and the problems France is facing today. A full chapter (No. 11) is devoted to the development in the field of local government and the French Civil Service, particularly since 1945 the Senior Civil Service is remarkably stable, and according to Prof. Duverger's diagnosis, France suffers not from excessive instability but from excessive stability or what has been called since 1953-54, French *immobilisme*, or inability to take decisions—a crucial limitation for a nation that has important decisions to make.

**REPORT ON THE ADMINISTRATIVE SURVEY OF THE SURAT DISTRICT;** By N.B. DESAI. Bombay, Indian Society of Agricultural Economics, 1958, xxv, 336p. Rs. 12.

The Report contains the findings of a study undertaken by the Indian Society of Agricultural Economics in 1955 on behalf of the Research Programmes Committee of the Planning Commission. It is divided into three parts. The first part gives a historical review of the district administration in the Moghul and British periods and of the developments in the post-independence years; and it further outlines, in general, the present structure and set-up of administration in the Surat District. The second part contains a detailed analysis of the procedures and practices followed in revenue offices from the Collector's office to the lowest village unit. In the third part, the role of statutory and non-statutory agencies connected with district development activities is examined critically, as also the problem of co-ordination between departments of district administration and district development agencies. *Shri Manilal B. Nanavati*, in his

preface, pinpoints the important findings of the survey: lack of a sense of urgency among the officials in the implementation of new development programmes; an increasing centralisation of functions which thwarts the initiative of capable and able officials; overburdening of the district revenue administration with multifarious duties arising out of expanding functions of a Welfare State; and the essential inter-relation between departments of district administration and district development agencies. Among the more important recommendations are that the name of the Land Revenue Department should be changed into 'Department of Land Reforms'; the present Surat District should be divided into two or three units for administrative convenience; there is urgent need for decentralization of functions at all levels and for simplification of rules and financial practices (detailed proposals have been made in these matters); agencies for rural re-construction—the multi-purpose co-operative society, the community projects and the national extension service, the village panchayat and the village school—should be properly strengthened; Taluka Local Boards composed of representatives of village panchayats should replace the existing Taluka association and Taluka Development Boards; and the present District Development Boards should be expanded into District Development Councils.

**OFFICE ADMINISTRATION:** Ed. By GEOFFREY MILLS and OLIVER STANDINGFORD. London, Sir Isaac Pitman, 1958, xii, 250p.

In about 250 pages in all, the book provides a stimulating account of modern techniques of office management. The contributors, all recognized authorities on their subjects, deal with the whole gamut of office administration—Office



Organisation, Control, Staffing, Supervision and Planning. The language is simple and concise, and free from technical jargon; the account, though it deals with the essentials only, is marked by a depth of approach. Though officially recommended by the Council of the Office Management Association, Great Britain, as the textbook for students taking examinations in office administration, the publication has a good deal to offer even to those who are engaged in the management of an office.

*TOWARD THE COMPARATIVE STUDY OF PUBLIC ADMINISTRATION*: Ed. By WILLIAM J. SIFFIN, U.S.A., Department of Government, Indiana University, 1957, v. 331p. \$3.91

This is a monograph of eight papers, seven of which were originally prepared for presentation before a graduate seminar in comparative administration at Indiana University. The monograph embodies a commendable attempt 'to penetrate somewhat below traditional levels of description found in the comparative study of government and public administration, and particularly to transcend the limits of analysis imposed by the principles of ethnocentric Western-oriented public administration and political science'. It contains two sets of materials for the comparative study of public administration—a broad methodological pattern and a series of specific cases. The first type comprises (1) a survey, by William J. Siffin, of the developments, during the last decade or so, concerning perspectives, concepts, methodology and contents of comparative studies in public administration, and (2) "Agraria and Industria", by Fred W. Riggs, a scheme of conceptual models for purposes of a comparative study of administrations in agricultural and industrial societies. "Agraria" has two

sub-types 'Imperial-Bureaucratic' and 'Feudalistic'; "Industria" too has two: "Democratic" and 'Totalitarian'. The public administration systems and practices in these models are viewed in the light of the economic, social, ideological and political settings of which they are a part. Part II of the monograph consists of six "country studies"—of the administrations of Philippines (by Ferrel Hedy), Thailand (by James N. Mosel), Turkey (by Lynton K. Caldwell), Egypt (by Walter R. Sharp), Bolivia (by Albert Lepawsky), and France (by Alfred Diamant). It is left to the reader and the student to check how far these 'case' studies fit the model and how far does the model add meaning to the 'cases'. The comparative study of public administration has received an impetus with the post-war development of the U.N. and the American programmes of technical assistance in the field of public, economic and social administrations, which have particularly facilitated the study of the administrative systems of underdeveloped countries. This incursion of new data, and the growing 'behavioral' and interdisciplinary approach to comparative studies in social sciences, have led to a rethinking of the perspectives and the methodology of the comparative studies in public administration; it is now being increasingly felt that no science of public administration is possible without transcending the particular national settings and also assimilating at the same time a vast array of conditioning factors which comprise 'the administrative context'. The Indiana University monograph makes a significant contribution towards the study and application of these new approaches, which are obviously of special interest to 'transitional societies, like those of South Asia, for a better understanding and improvement of their administrative



systems and practices in the light of their overall needs.

**MANAGERIAL PSYCHOLOGY:** By HAROLD J. LEAVITT. Chicago, University of Chicago Press, 1958, xi, 335p. \$5.00

Using the phrase "human relations" sparingly, Dr. Leavitt applies the latest researches in the psychology of human personality and group dynamics to the major categories of personal and social problems that the modern manager is likely to meet : of using himself to solve the numerous managerial issues; of influencing particular individuals to help him do his job; of utilizing groups of people in teams and committees, groups whom he must lead and stimulate; and, finally, of motivating and co-ordinating the efforts of large groups who work 'under' him, but whom he seldom encounters face to face. The last chapter discusses the unrealistic assumption of the traditional organizational theories in regard to human motivation, rationality, shared goals and the nature of managerial problems; An attempt is also made to outline the major premises of a new theory of organization, such as decision making, information and communication, partially rational behaviours; etc. Though the book is primarily written in theoretical terms, the presentation is simple, straightforward and practical.

**EXECUTIVES FOR GOVERNMENT** By PAUL T. DAVID & ROSS POLLOCK; Washigton Brookings 1957, x, 186p. \$ 1.50.

Specially prepared for the Brookings Institution by Paul T. David, Director of its Government Studies, and Ross Pollock, Chief of the Career Development Programme of U.S. Civil Service Commission, the study provides an illuminating in-

sight into the contemporary practices and thought about securing, developing and retaining higher administrative personnel, both political appointees and civil servants, for the federal government in the United States. In the context of the American Presidential type of democratic government and the American party system, the study discusses in detail the advantages and disadvantages of the different, alternative courses of action to resolve four major current issues of public policy : (1) provision of sufficient supply of qualified political executives for the executive branch of the federal government; (2) the relative emphasis to be given in filling the higher non-political posts in the civil service to recruitment on the basis of a career service and on an *ad hoc* basis for particular programmes and operations ; (3) the choice between alternative senior career service systems; and (4) drawing the line between political and non-political appointments in the upper levels of the federal service, such a line is to be drawn. On the first problem the authors favour the recommendations of the second Hoover Commission. The different elements and relative merits of recruitment on the basis of a career service and on an *ad hoc* basis for particular programmes are analysed in the light of the needs of new agencies, new programmes in old agencies and agencies designated by law for special treatment. *Ad hoc* recruitment on the basis of particular programmes enables the administrative agency to secure personnel possessing specialised training and experience for particular jobs or special aptitude for a particular programme, without resorting to an enlargement of the area of political appointments. The difficulties experienced in recruiting qualified and competent personnel above the lower levels have led to an emphasis

on the development of 'career' service cadres within U.S. government offices and agencies; but these cadres are open for higher-age, lateral recruitment at the intermediate and high levels. Four alternative courses are discussed in regard to the senior civil service system; (1) the Hoover Commission proposals for a Senior Civil Service; (2) a Career Administrative Service; (3) a senior service limited to incumbents of the super-grades in the Federal Service; and (4) improvement of existing career developments programmes. The authors favour the last mentioned course which alone is likely to cause least disturbance and resistance, and which also underlies the new "Career Executive Programme within the Civil Service System" instituted by the U.S. Government in March last after the publication of the book. On the fourth issue, the proposals of the Hoover Commission for drawing a line between the political and career appointments below the sub-Cabinet positions and above the bureau heads, and of an almost complete withdrawal of the civil servants below this line from policy determination and representation before the Congress, are considered impracticable. The authors recommend the creation of a flexible buffer zone of semi-political positions to be manned by 'programme-oriented' political appointees and also by similar career civil servants. The study finally pinpoints that the Hoover Commission's assumption of a responsible party system, on which their recommendations were based, is hardly a fully accurate view of current reality and that 'any

solution of the issue of senior career service systems must either be built directly on a defensible theory of the party system or alternatively—and this may be the wiser course—must be developed on a basis compatible with a wide range of variation in the future behaviour of the party system'.

*THE REPUBLICAN ERA : 1869-1901—A Study in Administrative History*; By LEONARD D. WHITE. New York, Macmillan, 1958, viii, 406p., \$6.00.

This is the fourth illuminating and authoritative study by Dr. Leonard White of the evolution and growth of the administrative system of the U.S. federal government; it covers the period 1869 to 1901 (beginning with Grant's administration and ending with the assumption of the presidency by Theodore Roosevelt). The two major problems that occupied the centre of the administrative stage in this period were the relation of Congress to the President and their respective roles *vis-a-vis* the administrative system, and reform of the civil service. The book, "like its predecessors, *The Federalists*, *The Jeffersonians* and *The Jacksonians*, is a study of institutions, but illuminated..by sketches of the men who operated them. Behind men and institutions stand the ideas and ideals of succeeding generations which bind all together into a stable whole". The study is characterised by lucidity of expression, deep insight into administrative developments and profound scholarship.



